

**QUALIFIED INVESTMENT FIRM  
PRIVATE NATURAL RESOURCE AND PRIVATE INFRASTRUCTURE INVESTMENT  
Request for Proposals (RFP)  
RTM RFP-18001**

**Schedule of Events**

<b>ACTIVITY (All times are local Phoenix time)</b>	<b>DATE</b>
Issue RFP	2/7/18
Submittal of Written Questions by 1:00 p.m.	2/23/18
Responses to Written Questions	3/2/18
Proposal Submittal by 4:00 p.m.	3/29/18
Review Committee Evaluation By	4/20/18
Finalist Interviews by COPERS Board	5/3/18

**Submit proposals and requests for alternate formats to:**

Greg Fitchet, Procurement Officer  
City of Phoenix Employees' Retirement System  
200 West Washington, Ste. 1000  
Phoenix, Arizona 85003  
Telephone: (602) 495-2021(7-1-1 Friendly)  
greg.fitchet@phoenix.gov

This RFP does not commit COPERS to award any agreement.  
All dates subject to change.

## I. INSTRUCTIONS FOR RFP PROCESS:

The City of Phoenix Employees' Retirement System ("COPERS") is soliciting proposals from qualified professional investment firms ("qualified firm" or "bidder") to assist COPERS with discretionary and non-discretionary strategic and tactical investment planning, market research, investment due diligence, portfolio monitoring, legal vetting and contracting (if appropriate for discretionary mandate), performance measurement and reporting for its Private Natural Resource and Private Infrastructure ("NRI") portfolios. Please note, we are interested in proposals from discretionary and non-discretionary consultants and fund-of-one managers.

Established in 1944, COPERS is dedicated to securing, protecting and prudently investing pension trust (the "Trust") assets. COPERS' Retirement Board oversees the investment of over \$2.4 billion in Trust assets in global public equities, fixed income and private market investments.

COPERS' Retirement Board and investment team conduct all investment activities in accordance with applicable laws and investment policies and procedures adopted by the Retirement Board and in the sole interest of Trust beneficiaries. The Retirement Board generally meets once a month to set policy, review investment performance and consider new investment opportunities as presented by COPERS' consultants and investment team.

COPERS employs a General Consultant with primary responsibility to serve as an advisor on matters related to Asset Allocation, Investment Policy, and the Public Markets portfolio (including global public equities and fixed income) as well as Trust policy implementation and oversight. In addition, COPERS employs one firm that provides non-discretionary investment consulting services for real estate. The Bank of New York Mellon serves as custodian for the assets of the Trust.

COPERS is seeking a qualified firm to serve as a fiduciary to the Trust and provide discretionary and/or non-discretionary investment services for its NRI investments portfolio. COPERS invests in private markets primarily through limited partnership funds.

The successful qualified firm will have discretionary and/or non-discretionary authority with respect to Trust assets and will serve as a fiduciary to COPERS in the provision of advisory services and investment engagements pursuant to the agreement. The general scope of service is to provide COPERS with full-service discretionary and/or non-discretionary NRI investment advice and portfolio strategies as more fully set forth herein.

Qualified firms may submit proposals for full service discretionary and/or non-discretionary services. Full service discretionary and non-discretionary services

are expected to include all limited partnerships and other investment vehicles within COPERS' NRI portfolio.

## **II. SCOPE OF WORK**

### **A. FULL-SERVICE DISCRETIONARY AND NON-DISCRETIONARY NRI SERVICES**

**The qualified firm shall:**

1. Review and act on recommendations for COPERS' NRI strategies, including the review of appropriate asset class goals and objectives, asset allocation, cash flow forecasting, and investment pacing.
2. Prepare an annual strategic plan for the NRI programs, including a discussion of target sub-strategies, markets and diversification.
3. Evaluate and periodically recommend updates to COPERS' NRI policies and procedures, as well as manager selection guidelines and criteria.
4. Evaluate investment opportunities including but not limited to:
  - a. Meeting with investment managers;
  - b. Reviewing investment managers' qualifications and performance;
  - c. Reviewing, evaluating and negotiating key investment terms;
  - d. analyzing investment opportunities' available and consistent with COPERS' selection criteria; and
  - e. Identifying any significant issues with potential investments (including investment risks and concerns) to be addressed during the course of performance of due diligence.
5. Conduct full and independent due diligence reviews of potential investments. Contractor will perform a customized review of each potential investment to identify the pertinent issues concerning the particular investment opportunity and advise COPERS whether the investment opportunity fits within COPERS' existing portfolio, investment strategies and asset allocation. Due diligence procedures shall include, but are not be limited to:
  - a. Reviewing the investment manager's investment strategy and organizational resources for the successful execution of the strategy;
  - b. Evaluating the quality, depth and stability of the investment manager's team, including conducting interviews with the key principals;
  - c. Assessing the investment manager's investment sourcing, due diligence, structuring, performance, monitoring and reporting capabilities;
  - d. Reviewing and evaluating the investment manager's compensation and incentive structure as well as economic commitment to the investment;

- e. Visiting and inspecting the investment manager's key offices;
  - f. Reviewing relevant documents, including offering materials, investment agreements, and financial statements; requesting and reviewing other information, supplied in writing, relevant to the investment review that might otherwise not be provided by the investment manager, such as data supporting portfolio valuations, investment performance and relevant investment experience;
  - g. Analyzing and independently verifying investment performance and track record;
  - h. Conducting extensive third party due diligence, including reference and background checks on key principals and interviews with prior and present investors and former employees; interviewing senior executives of past portfolio companies to gauge the investment manager's strengths and weaknesses;
  - i. Comparing and analyzing NRI investment opportunities to determine whether an investment is the best available opportunity for COPERS;
  - j. Reviewing and evaluating the proposed terms, conditions and structure of the investment opportunity, negotiating fees in the best interest of COPERS, and identifying, if appropriate, any terms or provisions that can or should be improved; and
  - k. Maintaining complete, written records of all due diligence procedures performed.
6. Prepare and furnish to COPERS a written investment report that documents the actions taken above; and documents the qualified firm's due diligence review of potential investments and contains a summary of the recommended investments, including without limitation the:
- a. General partner/manager's background, track record, and organization;
  - b. Investments strategy;
  - c. Terms of the investment;
  - d. Expected rate of return;
  - e. Merits of the investment;
  - f. Identifiable concerns related to the investment and potential resolution of the same;
  - g. Issues and provisions that should be subject to negotiation; and
  - h. An evaluation of the appropriateness of the investment for COPERS.
7. The qualified firm will be responsible for reviewing key business terms of investment opportunities and reviewing of the transaction documentation to ensure that such terms are properly implemented and reflect key elements sought by sophisticated limited partners in today's marketplace, both for initial investments as well as proposed amendments to NRI investment agreements.
8. Prepare and conduct overview presentations or educational workshops on the NRI investment asset classes that include a macro view of key managers, types of investments, trends, strategies, and key success factors.

9. Prepare updates regarding market conditions as well as industry trends and developments that could affect the prospects, terms and structure of NRI.
10. Perform periodic interim due diligence analysis on existing investments, taking into consideration the basis of the original recommendation, as well as changes which have taken place at COPERS, the investment managers, and in the market.
11. Provide access to a database of NRI investment managers that includes data on investment strategies, firm organization, investors and performance; manager information should be available for a wide range of NRI managers including but not limited to domestic and international firms including those in core, value-added, opportunistic and co-investment strategies.
12. Provide ongoing support and assistance in managing the NRI portfolio (including advising on any proposed modifications on investment agreements) via quantitative and qualitative analyses, research and due diligence at the request of COPERS.
13. Attend COPERS' Retirement Board meetings as requested by COPERS.
14. Perform other services which may be required to ensure a successful NRI investment program as needed or at the request of the Board, or staff.

## **B. PORTFOLIO MONITORING SERVICES**

### **The qualified firm shall:**

1. Review and analyze each NRI investment capital call received by COPERS and certify in writing the accuracy and conformance thereof to the terms of the underlying limited investment agreement prior to COPERS' funding of such capital call.
2. Review and analyze each distribution notice received by COPERS and certify in writing the accuracy and conformance thereof to the terms of the underlying investment or limited partnership agreement.
3. Provide wire notifications to Bank of New York Mellon (custody bank), staff and any other relevant parties.
4. Reconcile all cash flows, net asset values, and portfolio company information for NRI investments with COPERS' custodian bank on a quarterly/monthly basis (as determined by COPERS); such reconciliation will be furnished to COPERS within thirty days of completion.
5. Provide quarterly NRI portfolio reports that include information and analytics for each investment manager, fund, strategy and the total portfolio; information should include vintage year, COPERS commitment, total fund

commitments, contributions, distributions, market values and performance measures (IRR, etc.); comparisons to relevant Benchmark Indices should be included.

6. Prepare and provide COPERS with two comprehensive NRI monitoring reports per year, one following the end of each calendar year (ending December) and one following the end of each fiscal year (ending June).
7. Each report will be presented at a scheduled meeting of the Retirement Board and shall contain: a) material portfolio developments; b) NRI portfolio market value and funding status; c) investment performance results and comparison versus relevant benchmarks; d) portfolio composition / diversification by vintage year, investment sub-strategy, investment managers, industry sectors, and geography; and e) other relevant information as the COPERS Retirement Board, investment team, and qualified firm deem appropriate for monitoring of the NRI portfolio.
8. Provide access to a database of NRI investment managers that includes data on investment strategies, firm organization, investors and performance; manager information should be available for a wide range of NRI managers including but not limited to domestic and international firms.
9. Provide ongoing monitoring, performance measurement and cash flow analyses of the NRI portfolio investments and partnerships; provide portfolio monitoring reports on portfolio investments and partnerships as requested by COPERS.
10. Structuring and negotiation of provisions to be incorporated in the terms of NRI agreements that specifically relate to monitoring, including those provisions which govern the format, frequency, and scope of reports provided by general partners to COPERS, as a limited partner.
11. Provide ad-hoc reporting at the request of COPERS or its staff.
12. Perform other services which may be required to ensure a successful NRI investment program.

### **III. MINIMUM QUALIFICATIONS:**

- A. Each qualified Firm must demonstrate in its proposal that it meets the minimum qualifications or its proposal will be disqualified as non-responsive. Unless otherwise indicated, all qualifications must be met on or before May 2, 2018.
- B. COPERS, in its sole discretion, may reject any bid in which the Bidder fails to satisfy all the minimum qualifications.

- C.** As of January 1, 2018, the Bidder must have been in business at least five (5) years providing services similar to those described in the Scope of Work in section II, above. More specifically, the Bidder must have five or more years of experience performing for NRI investment transactions and providing NRI investment management services for at least two pension funds or other major institutional fund clients that each have a minimum of \$1 billion in total assets.
- D.** For this RFP, “NRI investment experience” does not include experience in private equity, private real estate or any other asset classes.
- E.** The Bidder must maintain, or have unrestricted access to, a database of sufficient size and scope to complete the analysis of the returns of a significant number of NRI investment partnerships by structure, size, industry, geography, type, and stage of development.
- F.** The Bidder must agree to the indemnification provision provided in Attachment 1, Exhibit C. Likewise, the Bidder must procure the minimum insurance coverage set forth in Attachment 1, Exhibit C and maintain the same for the duration of the Agreement.
- G.** The Bidder must identify and assign to COPERS’ account, one key professional and a primary senior consultant who has a minimum of ten (10) years of experience (two (2) of which have been with the current firm) evaluating, advising and managing NRI investment programs for institutional clients. The key professional member assigned by the Bidder to COPERS’ account must have enough time available to quickly become thoroughly knowledgeable about COPERS’ NRI portfolio investment strategies and asset allocation. The primary senior consultant assigned by the Bidder must also be immediately available upon award to assist COPERS with evaluation and selection of the best possible investments.
- H.** The Bidder must identify and assign at least one key professional member of the firm to COPERS’ account who has a minimum of five (5) years of experience analyzing and monitoring the results of NRI investments for institutional clients.
- I.** The Bidder must identify and assign at least one key professional member of the firm to COPERS’ account who has a minimum of five (5) years of experience reviewing partnership agreements, and other legal documents associated with investment partnerships for institutional clients, as appropriate for a discretionary mandate.
- J.** All staff assigned by the Bidder must provide superior quality work while meeting all timelines established by COPERS’ Board and staff.

#### **IV. AGREEMENT TERMS AND CONTRACTUAL RELATIONSHIP:**

- A.** Qualified firms are responsible for reading the sample Agreement, Attachment 1,

hereto. and submitting any questions about it in accordance with the process listed in this RFP. By submitting a proposal, each qualified firm agrees it will be bound by the Agreement. This Agreement will have an initial three-year term and will be subject to two, one-year renewal periods at the option of COPERS and the written agreement of executed by the parties. Notwithstanding the foregoing, this Agreement will terminate upon the earliest occurrence of any of the following:

1. Reaching the end of the term and any extensions exercised as set forth above; or
2. Termination pursuant to the provisions of this Agreement.

**V. PRE-PROPOSAL MEETING:**

There will not be a pre-proposal meeting for this solicitation.

**VI. PREPARATION OF OFFER:**

**A. COMPLETENESS, CLARITY, AND BREVITY ARE IMPORTANT. BIDDERS SHOULD SUBMIT ALL INFORMATION REQUESTED IN THIS RFP IN THE SPECIFIED FORMAT. RESPONSES NOT MEETING FORMAT REQUIREMENTS OR THAT ARE INCOMPLETE IN ANY WAY MAY BE REJECTED BY COPERS. BIDDERS ARE URGED TO READ THIS RFP CAREFULLY, TO TAKE CARE IN THE PREPARATION OF RESPONSES, AND TO CAREFULLY PROOFREAD THE FINAL VERSIONS FOR ACCURACY AND COMPLETENESS.**

**B. The Bidder's response to this request for proposal must be organized in the format listed below:**

1. Introduction and Executive Summary
2. Firm Organization, Personnel and Clients
3. Investment Selection Philosophy and Due Diligence Practice
4. Strategic and Tactical Investment Planning
5. Monitoring, Performance Management and Reporting
6. Fee Proposal

**C. COPERS intends to award this contract to the qualifying firm (or firms) that it determines to have the best overall program services. COPERS reserves the right to accept other than the lowest priced offer and to reject any proposals that are not responsive to this request.**

**D. The RFP packet includes several Submittal forms, including: 1.) supplemental RFP questions; 2.) a Conflict and Transparency Disclosure form; and 3.) an Affidavit and 4.) List of References. See Submittal forms, Attachment 2 hereto Exhibits A, B, C and D. All forms provided must be completed and submitted with your offer or your offer may be deemed non-responsive.**

- E.** It is permissible to copy Submittal forms, if necessary. Erasures, interlineations, or other modifications of your offer must be initialed in original ink by the authorized person signing the offer. No offer will be altered, amended or withdrawn after the specified offer due date and time. COPERS is not responsible for qualified firm's errors or omissions.
- F.** "Day" means calendar day, not business day. However, any deadline falling upon a Saturday, Sunday or legal holiday shall be extended to the following business day.
- G.** It is the responsibility of all qualified firms to examine the entire solicitation and seek clarification of any requirement that may not be clear and to check all responses for accuracy before submitting an offer. Negligence in preparing an offer confers no right of withdrawal after due date and time. Qualified firms are strongly encouraged to:
1. Consider applicable laws and/or economic conditions that may affect cost, progress, performance, or furnishing of the products or services.
  2. Study and carefully correlate qualified firm's knowledge and observations with the solicitation and other related data.
  3. Promptly notify COPERS of all conflicts, errors, ambiguities, or discrepancies which qualified firm has discovered in or between the solicitation and such other related documents.
- H.** COPERS does not reimburse the cost of developing, presenting or providing any response to this solicitation. Offers submitted for consideration should be prepared simply and economically, providing adequate information in a straightforward and concise manner. The qualified firm is responsible for all costs incurred in responding to this solicitation. All materials and documents submitted in response to this solicitation become the property of COPERS and will not be returned.

## **VII. EXCEPTIONS:**

If a bidder has exceptions based on the scope then they must include a list of exceptions to the requirements of the solicitation and attachment documents, if any, stated on a separate page labeled "Exceptions Statement." The bidder must identify the reason for the requested change, provide alternate language and provide an explanation.

## **VIII. INQUIRIES:**

- A.** All questions that arise relating to this solicitation should be directed to the procurement officer on the solicitation cover page.
- B.** To be considered, written inquiries must be received at the address on the

cover page by the submittal time. Written inquiries may be emailed to the address on the cover page. Inquiries received will then be answered in an addendum posted on the COPERS webpage.

- C. No informal contact initiated by qualified firms on the proposed service will be allowed with members of City's staff from the date of distribution of this solicitation until after the closing date and time for the submission of offers. All questions concerning or issues related to this solicitation must be presented in writing.

**IX. ADDENDA:**

COPERS will not be responsible for any oral instructions made by any employees or officers of COPERS regarding the offering instructions, specifications, or contract documents. Any changes will be in the form of an addendum and posted on the COPERS website.

**X. LICENSES:**

If required by law for the operation of the business or work related to this Offer, qualified firm must possess all valid certifications and/or licenses as required by federal, state or local laws at the time of submittal.

**XI. CERTIFICATION:**

- A. By signature in the offer section of the Affidavit page incorporated in this RFP package, qualified firm certifies:
  - 1. The submission of the offer did not involve collusion or other anti-competitive practices.
  - 2. The qualified firm must not discriminate against any employee, or applicant for employment in violation of Federal or State Law. The qualified firm has not given, offered to give, nor intends to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted offer. See Submittal-Affidavit.

**XII. SUBMISSION OF OFFER:**

- A. Offers must be in possession of COPERS on or prior to the exact time and date indicated in the Schedule of Events on the cover page. Late offers will not be considered. The prevailing clock will be COPERS' clock. Offers must be submitted in a sealed envelope or box and the following information should be noted on the outside of the package:
  - 1. Qualified firm's Name;

2. Qualified firm's Address (as shown on the Affidavit Page);
  3. Solicitation Number; and
  4. Solicitation Title
- B.** All offers must be completed in ink or typewritten. Include the number of copies that are required as indicated in the Submittal section.
- C.** Bidders are required to submit five hardcopies and one electronic copy (portable drive or CD) of their offer. An official with the authority to bind the bidder to the offer and the terms of this RFP must sign one copy of the cover letter.

**XIII. WITHDRAWAL OF OFFER:**

At any time prior to the solicitation due date and time, a bidder (or designated representative) may withdraw the offer by submitting a request in writing and signed by a duly authorized representative. Facsimiles, telegraphic or mailgram withdrawals will not be considered. Withdrawals may not be made after the proposal due date. After the solicitation, due date and time, the bidder's offer will remain in effect for a period of 180 calendar days from the bid opening date and is irrevocable unless it is in COPERS' best interest to do so.

**XIV. OFFER RESULTS:**

Offers will be opened on the offer due date, time and location indicated in the Schedule of Events listed on the Title page. Offers and other information received in response to the solicitation will be shown only to authorized City personnel having a legitimate interest in them or persons assisting COPERS in the evaluation. Offers are not available for public inspection until after COPERS has posted the award recommendation on their website.

**XV. AWARD OF CONTRACT:**

- A.** Unless otherwise indicated, award(s) will be made to the most responsive, responsible qualified firm(s) who are regularly established in the service contained in this solicitation and who have demonstrated the ability to perform the required service in an acceptable manner.
- B.** Factors that will be considered by COPERS include:
1. Technical capability of the qualified firm to accomplish the scope of work required in the Solicitation. This includes historical and current performance for government or institutional clients;
  2. Demonstrated availability of the necessary manpower (both supervisory

and operational personnel) and necessary equipment to accomplish the scope of work in the Solicitation; and

3. Vendor history of performance and termination for convenience or cause.
- C. Notwithstanding any other provision of this solicitation, COPERS reserves the right to: (1) waive any immaterial defect or informality; or (2) reject any or all offers or portions thereof; or (3) reissue a solicitation.

## **XVI. SOLICITATION TRANSPARENCY POLICY:**

- A. Commencing on the date and time a solicitation is published, potential or actual Bidders or qualified firms (including their representatives) shall only discuss matters associated with the solicitation with the Mayor, any members of City Council, COPERS Retirement Program Administrator, any Deputy City Manager, any member of the Boards of COPERS, or any department director directly associated with the solicitation (including in each case their assigned staff, except for the designated Procurement Officer) at a public meeting, posted under Arizona Statutes, until the resulting contract(s) is awarded. As long as, the solicitation is not discussed, Bidders may continue to conduct business with COPERS and discuss business that is unrelated to the solicitation with COPERS staff who are not involved in the selection process.
- B. Bidders may discuss their proposal or the solicitation with the Mayor or one or more members of the Phoenix City Council, or of the COPERS Board, provided such meetings are scheduled through the Procurement Officer and conducted in person at 200 West Washington, Phoenix, Arizona, 85003, and posted as open meetings with Phoenix City Clerk at least twenty-four (24) hours prior to the scheduled meetings. The Phoenix City Clerk will be responsible for posting the meetings. The posted notice shall identify the participants and the subject matter, as well as invite the public to participate.
- C. With respect to the selection of the successful Bidders, the City Manager and/or City Manager's Office will continue the past practice of exerting no undue influence on the process. In all solicitations of bids and proposals, any direction on the selection from the City Manager and/or City Manager's Office and Department Head (or representative) to the proposal review panel or selecting authority must be provided in writing to all prospective Bidders.
- D. This policy is intended to create a level playing field for all Bidders, assure that contracts are awarded in public, and protect the integrity of the selection process.

- E.** BIDDERS THAT VIOLATE THIS POLICY SHALL BE DISQUALIFIED. After official disqualification Notice is received, the Bidder may follow the Protest process, unless the Solicitation is cancelled without notice of intent to re-issue.
- F.** To “discuss” means any contact by the bidder with any of the parties listed in Sec. XVI, para. A above, regardless of whether the parties responds to the contact. Bidders that violate this policy shall be disqualified until the resulting contract(s) are awarded, or all offers or responses are rejected and the solicitation is cancelled without any announcement by the Procurement Officer of COPERS’ intent to reissue the same or a similar solicitation. COPERS interprets the policy as continuing through a cancellation of a solicitation until COPERS’ award of the contract, as long as COPERS cancels with a statement that COPERS will rebid the solicitation.

## **XVII. PROTEST PROCESS:**

- A.** Qualified firm may protest the contents of a solicitation no later than seven days before the solicitation deadline when the protest is based on an apparent alleged mistake, impropriety or defect in the solicitation. Protests filed regarding the solicitation may be addressed by an amendment to the solicitation or denied by COPERS. If denied, the opening and award will proceed unless COPERS determines that it is in COPERS’ best interests to set new deadlines, amend the solicitation, cancel or re-bid.
- B.** Therefore, unless otherwise notified by a formal amendment, the Protester must adhere to all solicitation dates and deadlines, including timely filing of an offer, regardless of filing a protest.
- C.** Qualified firm may protest an adverse determination issued by COPERS regarding responsibility and responsiveness, within seven days of the date the qualified firm was notified of the adverse determination.
- D.** Qualified firm may protest an award recommendation if the qualified firm can establish that it had a substantial chance of being awarded the contract and will be harmed by the recommended award. COPERS will post recommendations to award the contract(s) to a particular qualified firm on COPERS’ website. Qualified firm must submit award protests within seven days after the posting of the award recommendation, with exceptions only for good cause shown, within COPERS’ full and final discretion.
- E.** All protests will be in writing, filed with the Procurement Officer identified in the solicitation, and include the following:

1. Identification of the solicitation number;
  2. The name, address and telephone number of the protester;
  3. A detailed statement describing the legal and factual grounds for the protest, including copies of relevant documents;
  4. The form of relief requested; and
  5. The signature of the protester or its authorized representative.
- F. The Procurement Officer will render a written decision within a reasonable period after the protest is filed. All protests and appeals must be submitted in accordance with COPERS' Policies; the City's Procurement Code, (Phoenix City Code, Ch. 43), and administrative regulations and any protests or appeals not submitted within the time requirements will not be considered.

#### **XVIII. PUBLIC RECORD:**

All Offers submitted in response to this invitation will become the property of COPERS and become a matter of public record available for review pursuant to Arizona State law. If a qualified firm believes that a specific section of its Offer response is confidential, the qualified firm will isolate the pages marked confidential in a specific and clearly labeled section of its Offer response. A qualified firm may request specific information contained within its Offer be treated by the Procurement Officer as confidential provided the qualified firm clearly labels the information "confidential." If COPERS or its Evaluation Committee, in its sole discretion, determines that any Bidder has requested "confidentiality" of more than 10% of the contents of its Offer, the Offer will be returned to the bidder as non-responsive. To the extent necessary for the evaluation process, information marked as "confidential" will not be treated as confidential. Once the procurement file becomes available for public inspection, the Procurement Officer will not make any information identified by the qualified firms as "confidential" available to the public unless necessary to support the evaluation process or if specifically requested in accordance with applicable public records law. When a public records request for such information is received, the Procurement Officer will notify a qualified firm in writing of any request to view any portion of its Offer marked "confidential." The qualified firm will have the time set forth in the notice to obtain a court order enjoining such disclosure. If the qualified firm does not provide the Procurement Officer with a court order enjoining release of the information during the designated time, the Procurement Officer will make the information requested available for inspection.

**XIX. LATE OFFERS:**

Late Offers must be rejected, except for good cause. If a late Offer is submitted, COPERS will document the date and time of the submittal of the late Offer, keep the Offer and notify the qualified firm that its Offer was disqualified for being a late Offer.

**XX. RIGHT TO DISQUALIFY:**

COPERS reserves the right to disqualify any bidder who fails to provide information or data requested or who provides materially inaccurate or misleading information or data. COPERS further reserves the right to disqualify any bidder on the basis of any real or apparent conflict of interest that is disclosed by the bidder or any other data or information available to COPERS. This disqualification is at the sole discretion of COPERS. By submission of a solicitation response, the bidder waives any right to object now or at any future time, before any agency or body, including, but not limited to, the City of Phoenix and COPERS Board or any court as to the exercise by COPERS of such right to disqualify or as to any disqualification by reason of real or apparent conflict of interest determined by COPERS. COPERS reserves the right to replace the disqualified bidder.

**XXI. MULTIPLE AWARDS:**

- A. COPERS reserves the right to award to more than one contractor. COPERS' decision to utilize multiple contractors will be final and conclusive.
- B. COPERS reserves the right to award a contract any in a manner most advantageous to COPERS.

**XXII. EVALUATION OF COMPETITIVE SEALED OFFERS:**

- A. COPERS will use its discretion in applying the following processes to this solicitation. Any ties in scoring will be resolved with a best and final price request and the lowest price will prevail.
- B. Evaluation Process:

<u>Component</u>	<u>Weighting Percentage</u>
Organization, Personnel and Clients	20%
Investment Selection and Due Diligence Practice	20%
Strategic and Tactical Investment Planning	20%
Monitoring, Performance Measurement and Reporting	20%
Fee Proposal	20%

### **XXIII. DETERMINING RESPONSIVENESS AND RESPONSIBILITY:**

- A.** Offers will be reviewed for documentation of minimum qualifications, completeness, and compliance with the Solicitation requirements. COPERS reserves sole discretion to determine responsiveness and responsibility.
- B.** Responsiveness: Nonresponsive Offers will not be considered in the evaluation process. The solicitation states criteria that determine responsiveness, and the solicitation includes terms and conditions that if included or excluded from Offers (as the case may be) will render an Offer nonresponsive.
- C.** Exceptions, conditions, reservations, or understandings are presumed to be unacceptable, and an Offer that includes unacceptable exceptions, conditions, reservations, or understandings may be rejected as nonresponsive. Alternatively, COPERS in its sole discretion may instruct in writing that any Bidder remove the conditions, exceptions, reservations or understandings. If the Bidder fails to do so in writing, COPERS may determine the Offer to be nonresponsive.
- D.** Responsibility: To obtain true economy, COPERS must conduct solicitations to minimize the possibility of a subsequent default by the contractor, late deliveries, or other unsatisfactory performance that may result in additional administrative costs. It is important that the Bidder be a responsible contractor. Responsibility includes the Bidder's integrity, skill, capacity, experience, and facilities for conducting the work to be performed.
- E.** The Procurement Officer, in consultation with legal counsel, will review each Offer to determine if the Bidder is responsible. COPERS' determination as to whether a Bidder is responsible will be based on the information furnished by the Bidder, interviews (if any), any information at COPERS' request, information in any best and final offer, and information received from Bidder's references, including information about Bidder's history, terminations for convenience or cause, contract breach lawsuits or notices of claim and any other sources COPERS deems appropriate. Award of the Contract resulting from the Solicitation will not be made until any necessary investigation, which each Bidder agrees to permit by submitting its Offer, is made by COPERS as it deems necessary. A review of responsibility may occur up to contract award.
- F.** The Bidder's unreasonable failure to promptly supply information in connection with an inquiry with respect to responsibility may be grounds for a determination of non-responsibility with respect to such Bidder.

### **XXIV. DETAILED EVALUATION OF OFFERS AND DETERMINATION OF COMPETITIVE RANGE:**

During deliberations, the Evaluation Panel will reach a consensus score for each evaluation criterion and determine which or those Offers comprise the most highly rated proposals for the competitive procurement (“Competitive Range”). The overall consensus scores will determine the Bidders’ rankings and which Offers are within the Competitive Range as determined by the Evaluation Panel, when appropriate.

**XXV. OFFERS NOT WITHIN THE COMPETITIVE RANGE:**

COPERS may notify Bidders of Offers that COPERS determined are not in the Competitive Range.

**XXVI. DISCUSSIONS WITH BIDDERS IN THE COMPETITIVE RANGE:**

- A.** COPERS will notify each Bidder whose Offer is in the Competitive Range or made the ‘short list’ and provide in writing any questions or requests for clarification to the Bidder. Each Bidder so notified may be interviewed by COPERS and asked to discuss answers to written or oral questions or provide clarifications to any facet of its Offer. The Bidders in the competitive range may be required to provide a demonstration of their product.
- B.** If an Offer in the Competitive Range contains conditions, exceptions, reservations or understandings to or about any Agreement or Solicitation requirement, COPERS may discuss or negotiate the conditions, exceptions, reservations or understandings during these meetings. But COPERS in its sole discretion may reject any and all conditions, exceptions, reservations and understandings, and COPERS may instruct any Bidder to remove the conditions, exceptions, reservations or understandings. If the Bidder fails to do so, COPERS may determine the Offer is nonresponsive, and COPERS may revoke its determination that the Offer is in the Competitive Range.
- C.** To the fullest extent permitted by law, COPERS will not provide any information, financial or otherwise, to any Bidder about other Offers received in response to this solicitation. During discussions with Bidders in the Competitive Range, COPERS will not give Bidders specific prices or specific financial requirements that Bidders must meet to qualify for further consideration. COPERS may state that proposed prices are too high with respect to the marketplace or otherwise unacceptable. Bidders will not be told of their relative rankings before Agreement award.

**XXVII. BEST AND FINAL OFFERS (BAFO):**

- A.** A BAFO is an option available for negotiations. Each Bidder in the Competitive Range, which is determined in COPERS’ sole discretion, may be afforded the opportunity to amend its Offer and make one BAFO.

- B.** If a Bidder's BAFO modifies its initial Offer, the modifications must be identified in the BAFO. COPERS will evaluate BAFOs based on the same requirements and criteria applicable to initial Offers. COPERS will adjust appropriately the initial scores for criteria that have been affected by Offer modifications made by a BAFO. Based on the criteria defined in the solicitation as weighted, COPERS will then perform final scoring and prepare final rankings.
- C.** The Evaluation Panel will recommend the Offer that is the best value and most advantageous to COPERS based on the evaluation criteria.
- D.** COPERS reserves the right to make an award to an Bidder whose Offer is the highest rated, best value, and most advantageous to COPERS based on the evaluation criteria, without conducting written or oral discussions with any Bidder, without negotiations, and without soliciting BAFOs.