

RESOLUTION NO. 257

WHEREAS, the Board of Trustees of the Fire and Police Disability and Retirement Fund is desirous of utilizing certain actuarial consulting services in connection with a Task Force review of said Fund, and

WHEREAS, an emergency exists in that the Board of Trustees must obtain such actuarial services immediately (commencing retroactively to February 1, 1987) in order that any proposed changes in the Fire and Police Disability, Retirement and Death Benefit Plan (Plan) may be submitted to the voters at the earliest opportunity, and

WHEREAS, William M. Mercer-Meidinger-Hansen, Inc. is engaged in the business of performing actuarial consulting services and has completed the most recent actuarial study of the Plan, thus making it intimately familiar with the Plan and capable of providing the prompt actuarial service required by the Board of Trustees, and

WHEREAS, the emergency described above demands immediate actuarial services, a contract with William M. Mercer-Meidinger-Hansen should be negotiated and executed without seeking bids from other actuarial consultants, and

WHEREAS, a proposed form of contract for actuarial services is attached hereto as Exhibit A and by this reference made a part hereof,

NOW, THEREFORE, BE IT RESOLVED, that the Deputy Secretary of the Fund is authorized and directed to execute an agreement substantially in accordance with the agreement attached hereto as Exhibit A on behalf of the Fire and Police Disability and Retirement Fund.

ADOPTED by the Board of Trustees this 9th day of June, 1987.

Barbara Clark, Secretary
Fire and Police Disability and
Retirement Fund

By: 

Deputy Secretary

WILLIAM M.
MERCER-Meidinger-Hansen
INCORPORATED

May 21, 1987

Mr. Edwin L. Freeman
Deputy Secretary
Fire and Police Disability
and Retirement Fund
City of Portland
Portland Building, Room 1236
1120 S. W. 5th
Portland, OR 97204

Re: Agreement for Services

Dear Ed:

I have enclosed a draft personal services contract between Mercer-Meidinger-Hansen and the Fire and Police Disability and Retirement Fund. This contract is meant to cover my work in connection with the Task Force.

Please look this draft over; if you have any changes to suggest, let me know. Once we have incorporated your changes, I will send the final copy over to you for execution by the Fund.

Please call me if you have any questions or suggestions.

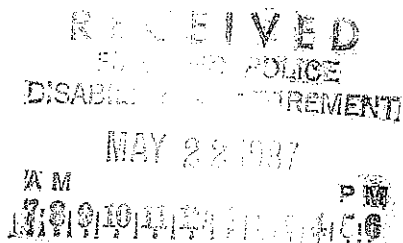
Sincerely,



Robert T. McCrory, FSA, MAAA
Actuary

RTM/pm

Enclosure



CITY OF PORTLAND, OREGON, Fire and Police Disability and Retirement Fund Agreement for Services

This Agreement for Services (Agreement) is between the City of Portland, Oregon, Fire and Police Disability and Retirement Fund (Fund) and William M. Mercer-Meidinger-Hansen, Incorporated (Contractor).

RECITALS:

1. Whereas, the Contractor is engaged in the business of performing services as an Actuarial Consultant, and
2. Whereas, the Fund desires to utilize certain actuarial consulting services in connection with a review of the operation of the Fund.

AGREEMENT:

1. SCOPE OF CONTRACTOR SERVICES

The Contractor agrees to provide the Fund with such actuarial studies, reports, workpapers, and presentations as deemed necessary by the Fund and the Contractor to enable the Fund to complete its review.

2. COMPENSATION

The Fund shall pay the Contractor for work performed under this Agreement. The payment shall be full compensation for work performed, for services rendered, and for all labor, materials, supplies, equipment, and incidentals necessary to perform the work and services. The maximum fee payable under this Agreement will be \$65,000, unless a higher fee is approved by the Fund.

3. BILLING AND PAYMENT PROCEDURE

The Contractor's billing and Fund's payment procedure shall be as set out below.

On or before the end of each month, the Contractor shall submit to the Fund a bill for work performed by the Contractor during the preceding month. Within thirty (30) days after receipt of the bill, provided the Project Manager has certified the payment as due, the Fund shall pay the amount certified to the Contractor. The Project Manager's certification of a payment as due, however, shall not prevent the Project Manager from later determining that the certification was in error.

4. EFFECTIVE AND TERMINATION DATES

This Agreement shall be effective as of February 1, 1987 and shall terminate as of December 31, 1987.

5. EARLY TERMINATION OF AGREEMENT

- (a) The Fund and Contractor, by mutual written agreement, may terminate this Agreement at any time.
- (b) The Fund, on thirty (30) days written notice to the Contractor, may terminate this Agreement for any reason deemed appropriate in its sole discretion.

6. PAYMENT OF EARLY TERMINATION

- (a) In the event of termination under subsection 5(a) or (b) hereof, the Fund shall pay the Contractor for work performed in accordance with the Agreement prior to the termination date.
- (b) In the event of early termination, all Contractor's work product will become and remain property of the Fund.

7. FUND PROJECT MANAGER

- (a) The Fund Project Manager shall be Mr. Ed Freeman, Deputy Secretary, or such person as shall be designated in writing by the Fund.
- (b) The Project Manager is authorized to approve work and billings hereunder, to give notices referred to herein, to terminate this Agreement as provided herein, and to carry out any other Fund actions referred to herein.

8. COMPLIANCE WITH LAWS

- (a) In connection with its activities under this Agreement, the Contractor shall comply with all applicable federal, state, and local laws and regulations.
- (b) In the event the Contractor provides goods or services to the Fund in the aggregate in excess of \$2,500.00 per fiscal year, Contractor agrees it has certified with the City of Portland's Equal Employment Opportunity certification process.

9. MAINTENANCE OF RECORDS

The Contractor shall maintain records on a current basis to support its billings to the Fund. The Fund or its authorized representative shall have the authority to inspect, audit, and copy on reasonable notice and from time to time any records of the Contractor regarding its billings or its work hereunder. The Contractor shall retain these records for inspection, audit, and copying for three (3) years from the date of completion or termination of this Agreement.

10. AUDIT OF PAYMENTS

- (a) The Fund, either directly or through a designated representative, may audit the records of the Contractor at any time during the three (3) year period established by Section 10.
- (b) If an audit discloses that payments to the Contractor under Section 4 were in excess of the amount to which the Contractor was entitled, then the Contractor shall repay the amount of the excess to the Fund.

11. INDEMNIFICATION

The Contractor shall hold harmless, defend, and indemnify the Fund and the Fund's officers, agents, and employees against all claims, demands, actions, and suits (including all attorney fees and costs) brought against any of them arising from the Contractor's work or any subcontractor's work under this Agreement.

12. WORKERS' COMPENSATION INSURANCE

- (a) The Contractor shall obtain workers' compensation insurance coverage for all of its workers, employees and subcontractors either as a carrier-insured employer or a self-insured employer, as provided by Chapter 656 of the Oregon Revised Statutes, before this Agreement is executed. A certification of insurance, or copy thereof, shall be attached to this Agreement as Exhibit A, and shall be incorporated herein and made a term and part of this Agreement. The Contractor further agrees to maintain workers' compensation insurance coverage for the duration of this Agreement.
- (b) In the event the Contractor's workers' compensation insurance coverage expires during the term of this Agreement, the Contractor agrees to timely renew its insurance, either as a carrier-insured employer or a self-insured employer as provided by Chapter 656 of the Oregon Revised Statutes, before its expiration, and the Contractor agrees to provide the Fund such further certification of workers' compensation insurance as renewals of said insurance occur.
- (c) The Contractor agrees to properly complete the City of Portland's Workers' Compensation Insurance Questionnaire prior to commencing work under this Agreement. Questionnaire is attached to this Agreement as Exhibit B and shall remain attached to this Agreement and become a part thereof as if fully copied herein.

13. SUBCONTRACTING

The Contractor shall not subcontract its work under this Agreement, in whole or in part, without the written approval of the Fund. The Contractor shall require any approved subcontractor to agree, as to the portion subcontracted, to fulfill all obligations of the Contractor as specified in this Agreement. Notwithstanding Fund approval of a

subcontractor, the Contractor shall remain obligated for full performance hereunder, and the Fund shall incur no obligation other than its obligations to the Contractor hereunder. Contractor agrees that if subcontractors are employed in the performance of this Agreement, Contractor and its subcontractors are subject to the requirements and sanctions of ORS Chapter 656, Workers' Compensation.

14. ASSIGNMENT

The Contractor shall not assign this Agreement, in whole or in part, or any right or obligation hereunder, without prior written approval of the Fund.

15. INDEPENDENT CONTRACTOR STATUS

- (a) The Contractor is engaged as an independent contractor and will be responsible for any federal, state, and local taxes and fees applicable to payments hereunder.
- (b) The Contractor and its subcontractors and employees are not employees of the Fund and are not eligible for any benefits through the Fund or the City of Portland, including without limitation federal social security, health benefits, workers' compensation, unemployment compensation, and retirement benefits.

16. OWNERSHIP OF DOCUMENTS

- (a) All work the Contractor performs under this Agreement shall be the property of the Fund. The Fund shall own any and all data, documents, plans, copyrights, specifications, working papers, and any other materials the Contractor produces in connection with this Agreement. On completion or termination of the Agreement, the Contractor shall deliver these materials, as requested, to the Project Manager.
- (b) The Contractor may retain for its own use and at its own cost copies of the materials referred to in subsection (a), subject to the following exceptions:

No data or other information shall be provided to other clients, insurance companies or other service providers without the advance written approval of the Project Manager.

17. PROFESSIONAL LIABILITY

- (a) Contractor shall maintain professional liability insurance which shall provide coverage in the amount of \$1 million to protect Contractor from any and all claims, demands, actions, and suits for malpractice arising from the Contractor's work under this Agreement. The insurance shall provide that the insurance shall not terminate or be cancelled without sixty (60) days written notice first being given to the City Auditor.

- (b) Contractor shall maintain on file with the City Auditor a certificate of insurance certifying the coverage required under subsection (a). The adequacy of the insurance shall be subject to approval of the City Attorney. Failure to maintain professional liability insurance shall be cause for immediate termination of this Agreement by the Fund.

18. BUSINESS LICENSE

Contractor shall obtain a City of Portland business license as required by PCC ss 7.06.010 prior to beginning work under this Agreement. Contractor shall provide a business license number in the space provided at the end of this Agreement.

19. COMMENCEMENT OF WORK

Contractor agrees that work being done pursuant to this Agreement will not be commenced until after:

- (a) workers' compensation insurance is obtained, as outlined in Section 12 above; and
(b) the effective date specified in Section 4 above.

Contractor: **William M. Mercer-Meidinger-Hansen,
Incorporated**

By: _____

Title: _____

Date: _____

Business License No. 355846-00

Tax I.D. No. 132834414

or Social Security No. _____

APPROVED AS TO FORM:

City Attorney

**City of Portland, Oregon, Fire and Police
Disability and Retirement Fund**

By: _____

Name: _____

Title: _____

Date: _____