



**STATE OF HAWAII
EMPLOYEES' RETIREMENT SYSTEM**

**ADDENDUM NO. 3
To
Request for Proposals
For Investment Consultant Services
Employees' Retirement System (ERS)
State of Hawaii**

**RFP 2017-02
Dated
June 20, 2017**

PRIORITY LISTED OFFERORS:

The purpose of this addendum is to:

1. Correct and clarify the term of the agreement under section II on page 16 of the Request for Proposals for Investment Consultant Services, RFP 2017-02, issued March 20, 2017 ("RFP 2017-02") and in the Fee Proposal form on page 38 of RFP 2017-02. The term of the agreement is three years with one possible three year extension at the option and discretion of the ERS.

The first paragraph of section II is replaced with the following:

The term of the agreement is three years with one possible three year extension at the option of the ERS. The term of the agreement will commence on or around July 1, 2017. The ERS will determine in 2020 whether to extend the term of the contract. If the three year contract extension is not granted, the contract will expire on June 30, 2020. If the three year extension is granted, the contract will expire on June 30, 2023.

The first sentence of the second paragraph of the Fee Proposal form is replaced with the following:

As the term of the contract is expected to be three (3) years with one possible three (3) year extension issued at the discretion of the ERS, the Fee Proposal should be guaranteed for a period of not less than six (6) years from the effective date of the contract.

2. Clarify the criteria for the final evaluations of fees under section VIII on page 14 of RFP 2017-02. Fees will be evaluated and points awarded based on the fees proposed by priority listed offerors for the three years of the initial contract period and six years of the extended contract period.

3. Clarify that the annual fees proposed by priority listed offerors must cover all services set forth in the Scope of Work of the RFP, and must be inclusive of all travel, taxes, and expenses incurred in connection with such work.
4. Clarify the process for priority listed offerors to submit any best and final offers under section VII on page 4 of RFP 2017-02.

The Employees' Retirement System (ERS) will accept a copy of a priority-listed offeror's best and final offer by email or fax; provided that the emailed or faxed copy is received by the ERS no later than 4:30 p.m. (H.S.T) on June 23, 2017; and provided, further that the original of the best and final offer is subsequently mailed to the ERS. The best and final offer may be sent by:

- email to dbf.ers.procure@hawaii.gov, or
- fax to (808) 586-1677

Priority listed offerors may use the Fee Proposal form attached to this Addendum for any best and final offers they choose to submit.

All other terms and conditions remain the same.

FEE PROPOSAL

As the term of the contract is expected to be three (3) years with one possible three (3) year extension issued at the discretion of the ERS, the Fee Proposal should be guaranteed for a period of not less than six (6) years from the effective date of the contract. The services detailed under Paragraph VI of the Scope of Work Section of this RFP should form the basis for the proposed fees and should be referred to for a detailed description of the services required of the successful offeror. Proposed fees must include travel, taxes and all expenses.

Offerors shall submit an all-inclusive annual fee for all services as follows:

All-inclusive flat fee – year 1	\$ _____
All-inclusive flat fee – year 2	\$ _____
All-inclusive flat fee – year 3	\$ _____
Sub Total (Years 1-3)	\$ _____
All-inclusive flat fee – year 4 (if extension is issued)	\$ _____
All-inclusive flat fee – year 5 (if extension is issued)	\$ _____
All-inclusive flat fee – year 6 (if extension is issued)	\$ _____
Total Fees (Years 1-6)	\$ _____

The method of payment is described in Paragraph III of the Scope of Work section.

The final contract fee should represent the only compensation received by the consultant for services provided to ERS. There should not be any other benefit, monetary or otherwise, that results from this relationship between the consultant and ERS.