



CalPERS Spring-Fed Pool Procedures

Introduction

Pursuant to CalPERS Board of Administration (Board) Resolution OSSD-98-01, CalPERS may create a pool of potential contractors. These contractors may then be selected to perform projects or services thereafter. CalPERS may seek to add potential contractors to the pool periodically.

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Establishing the Spring-Fed Pool

A comprehensive competitive solicitation method, defining the Spring-Fed Pool process, is used to establish a pool of pre-qualified firms, from which firms could be selected, deleted, or added on a continuous basis during the life of the pool, which shall not exceed CalPERS maximum five-year term.

Letter of Engagement Process

During the term of this pool, and when there is a need for services using this pool of pre-qualified consultants, CalPERS will use a Letter of Engagement process. CalPERS has the sole discretion to choose which of the following options it will use in the Letter of Engagement process for each project:

1. In those instances where a range of options is desired and all of the pool consultants, within a specific category, can perform the service, all consultants within that pool category will be asked to submit a response to the Letter of Engagement. The response may include the proposed methodologies used to complete the task, specific staff assigned/resumes, and proposed cost. The selection of the consultant will be based on the required expertise, the best overall proposed methodology or solution to the task, and the cost. The Letter of Engagement will formalize the terms and conditions of the services for each project and will be subject to the terms and conditions of the consultant contract.
2. For tasks requiring the services or expertise of one particular consultant that specialize in an area that other consultants may not possess, CalPERS will work directly with that consultant to negotiate the best terms. The Letter of Engagement will formalize the terms and conditions of the services for each project and will be subject to the terms and conditions of the consultant contract.

Note:

Appropriate due diligence by the Board or its delegates will be made to ensure that, at the time a member of the pool is engaged to provide goods or services, that pool member remains sufficiently competent to provide the required goods or services.

Spring-Fed Pool Refresh (adding firms to the pool)

CalPERS may seek to “refresh” the Spring-Fed Pool by adding new firms.

When refreshing the pool, CalPERS may

- issue a Spring-Fed Pool refresh solicitation on the CalPERS website, or
- target specific firms for possible inclusion in the pool based on CalPERS staff’s knowledge of the industry. CalPERS, in its sole discretion, will determine the necessity of advertising the Spring-Fed Pool refresh.

Spring-Fed Pool Refresh Requirements

When issuing the Spring-Fed Pool refresh solicitation, CalPERS will ensure that to be selected all new firms

- must meet the same minimum qualifications as stated in the original solicitation
- shall satisfy all selection criteria as is then applicable to the pool, and
- must score high enough according to the scoring requirements of the original solicitation.

Changing Spring-Fed Pool Criteria

CalPERS may refresh the Spring-Fed Pool to change criteria as necessary to meet the needs of the program as the program evolves over time.

If a new service category is added, then existing pool members will be advised of CalPERS intent to add a new service category and afforded an opportunity to bid for the service category.

Abolishing the Spring-Fed Pool

The Spring-Fed pool may be abolished if CalPERS Board determines that the pool no longer serves the best interests of CalPERS' members and beneficiaries.

Spring-Fed Pool General Requirements

The following general requirements apply to Spring-Fed Pools.

1. Contracts awarded to firms at the time of creation of a Spring-Fed Pool shall all be of the same defined duration. Any contracts issued to firms joining the pool after its creation shall be awarded for a term necessary to make the expiration date coincide with that of the initial group.
2. Each pool member is bound to honor the compensation, fee, or bid that formed the basis for inclusion in the pool, for a reasonable period of time after inclusion in the pool.