



Kershaw County Government Center
515 Walnut Street
Camden, South Carolina 29020

REQUEST FOR PROPOSAL

ACTUARIAL SERVICES

#08-704-16

PROJECT OVERVIEW

DATE: **November 25, 2008**

SOLICITATION NUMBER: RFP No. 08-704-16

DESCRIPTION OF "WORK": Provide comprehensive actuarial services that will assist in the implementation of Governmental Accounting Standards Board (GASB) Statement No 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions*.

LAST DAY FOR WRITTEN QUESTIONS: **November 19, 2008, 12:00 P.M.**
Fax No. (803) 425-1546
E-mail jennie.hammond@kershaw.sc.gov

NUMBER OF COPIES ONE (1) ORIGINAL AND TWO (2) COPIES

DUE DATE/TIME: **November 25, 2008, 3:00 P.M.**
LOCATION: Kershaw County Government Center
515 Walnut Street, Room 203
Camden, South Carolina 29020

This solicitation does not commit the County of Kershaw to award a contract, to pay any cost incurred in the preparation of applications submitted, or to procure or contract for the services. The County reserves the right to accept or reject any, all or any part of applications received as a result of this request, or to cancel in part or in its entirety this Request for Proposals if it is in the best interest of the County to do so. The County will be the sole judge as to whether proposals submitted meet all requirements contained in this solicitation.

STANDARD TERMS AND CONDITIONS

SCOPE: THE FOLLOWING TERMS AND CONDITIONS WILL PREVAIL UNLESS OTHERWISE NOTIFIED BY KERSHAW COUNTY WITHIN THIS BID DOCUMENT. THE COUNTY OF KERSHAW RESERVES THE RIGHT TO REJECT ANY BID WHICH TAKES EXCEPTION TO THESE TERMS AND CONDITIONS.

DEFINITIONS USED HEREIN:

- A. "PROPOSAL REQUEST" MEANS A SOLICITATION OF A FORMAL SEALED REQUEST FOR PROPOSAL
- B. "PROPOSER" MEANS VENDOR
- C. "PROPOSAL" MEANS PRICE OFFERED BY THE VENDOR
- D. "COUNTY" MEANS COUNTY OF KERSHAW

COMPLETING BID: ALL INFORMATION MUST BE LEGIBLE. ANY AND ALL CORRECTIONS AND/OR ERASURES MUST BE INITIALED. AUTHORIZED PROPOSER MUST SIGN EACH PROPOSAL SHEET AND REQUIRED INFORMATION MUST BE PROVIDED.

CONFIDENTIALITY OF BID INFORMATION: EACH PROPOSAL MUST BE IN A SEALED ENVELOPE AND CLEARLY MARKED TO PROVIDE CONFIDENTIALITY OF THE PROPOSAL INFORMATION PRIOR TO THE OPENING. SUPPORTING DOCUMENTS AND/OR DESCRIPTIVE LITERATURE MAY BE SUBMITTED WITH THE PROPOSAL OR IN A SEPARATE ENVELOPE MARKED LITERATURE FOR RFP (NUMBER). DO NOT INDICATE PROPOSAL PRICES ON LITERATURE.

ACCURACY OF PROPOSAL: EACH PROPOSAL IS MADE PUBLIC RECORD OF THE COUNTY AFTER AWARD. THEREFORE, IT IS NECESSARY THAT ANY AND ALL INFORMATION PRESENTED IS ACCURATE AND/OR WILL BE THAT BY WHICH THE PROPOSER WILL COMPLETE THE CONTRACT. IF THERE IS A DISCREPANCY BETWEEN THE UNIT PRICE AND THE EXTENDED TOTAL, THE UNIT PRICE WILL PREVAIL.

SUBMISSION OF PROPOSAL: PROPOSALS ARE TO BE SEALED AND SUBMITTED TO THE PURCHASING OFFICE, ROOM 203, KERSHAW COUNTY GOVERNMENT CENTER, 515 WALNUT STREET, CAMDEN, S C 29020, PRIOR TO THE DATE AND TIME INDICATED ON THE COVER SHEET.

ADDENDA: ALL CHANGES IN CONNECTION WITH THIS PROPOSAL WILL BE ISSUED BY THE PURCHASING OFFICE IN THE FORM OF A WRITTEN ADDENDUM. SIGNED ACKNOWLEDGMENT OF RECEIPT OF EACH ADDENDUM MUST BE SUBMITTED WITH THE PROPOSAL.

LATE PROPOSALS AND MODIFICATIONS OR WITHDRAWALS: PROPOSALS RECEIVED AFTER THE DEADLINE DESIGNATED IN THIS PROPOSAL DOCUMENT WILL NOT BE CONSIDERED. PROPOSALS MAY BE WITHDRAWN OR MODIFIED PRIOR TO THE DEADLINE DATE AND TIME INDICATED FOR SUBMISSION ON THE COVER SHEET.

PROPOSAL CONDITION OF PRICE: ALL PROPOSAL PRICES SUBMITTED SHALL REMAIN EFFECTIVE FOR A MINIMUM PERIOD OF 60 DAYS, OR UNTIL EVALUATION OF PROPOSALS IS COMPLETE AND AWARD IS MADE. THEREAFTER, THE CONTRACT PRICE SHALL REMAIN EFFECTIVE FOR THE TERM OF THE CONTRACT.

INSURANCE: THE CONTRACTOR SHALL PROCURE, MAINTAIN, AND PROVIDE PROOF OF, INSURANCE COVERAGE FOR INJURIES TO PERSONS AND/OR PROPERTY DAMAGE AS MAY ARISE FROM OR IN CONJUNCTION WITH, THE WORK PERFORMED ON BEHALF OF THE COUNTY BY THE CONTRACTOR, HIS AGENTS, REPRESENTATIVES, EMPLOYEES OR SUBCONTRACTORS AT THEIR OWN EXPENSE. PROOF OF COVERAGE SHALL BE SUBMITTED PRIOR TO ENTERING INTO THE CONTRACT AND SUCH COVERAGE SHALL BE MAINTAINED BY THE CONTRACTOR FOR THE DURATION OF THE CONTRACT PERIOD FOR OCCURRENCE POLICIES. CLAIMS MADE POLICIES MUST BE IN FORCE OR THAT COVERAGE PURCHASED FOR THREE (3) YEARS AFTER CONTRACT COMPLETION DATE.

NEW MATERIALS, SUPPLIES OR EQUIPMENT: UNLESS OTHERWISE SPECIFIED, ALL MATERIALS, SUPPLIES OR EQUIPMENT OFFERED BY A VENDOR WILL BE NEW, UNUSED, OF RECENT MANUFACTURE, FIRST CLASS IN EVERY RESPECT, AND SUITABLE FOR THEIR INTENDED PURPOSE. ALL EQUIPMENT WILL BE ASSEMBLED AND FULL SERVICED, READY FOR OPERATION WHEN DELIVERED.

WARRANTY: SUPPLIES OR SERVICES FURNISHED AS A RESULT OF THIS PROPOSAL WILL BE COVERED BY THE MOST FAVORABLE COMMERCIAL WARRANTIES, EXPRESSED OR IMPLIED, THAT THE VENDOR AND/OR MANUFACTURER GIVES TO ANY CUSTOMER. THE RIGHTS AND REMEDIES PROVIDED HEREIN ARE IN ADDITION TO AND DO NOT LIMIT ANY RIGHTS AFFORDED TO THE COUNTY BY ANY OTHER CLAUSE OF THIS PROPOSAL. THE COUNTY RESERVES THE RIGHT TO REQUEST FROM VENDORS A SEPARATE MANUFACTURER CERTIFICATION OF ALL STATEMENTS MADE IN THIS PROPOSAL.

METHOD OF AWARD AND NOTIFICATION: PROPOSALS WILL BE ANALYZED AND THE AWARD MADE, BASED ON THE EVALUATION CRITERIA FOR THIS PROPOSAL, TO THE MOST RESPONSIVE AND RESPONSIBLE VENDOR(S) WHOSE PROPOSAL CONFORMS TO THE SPECIFICATIONS AND WHOSE PROPOSAL IS CONSIDERED TO BE THE BEST VALUE IN THE OPINION OF THE COUNTY. THE COUNTY RESERVES THE RIGHT TO REJECT ANY OR ALL PROPOSALS AND ANY PART OF A PROPOSAL; TO WAIVE INFORMALITIES, TECHNICAL DEFECTS, AND MINOR IRREGULARITIES IN PROPOSALS RECEIVED AND TO AWARD PROPOSALS ON AN ITEM BY ITEM BASIS, BY SPECIFIED GROUPS OF ITEMS OR TO CONSIDER PROPOSALS SUBMITTED ON "ALL OR NOTHING" BASIS IF THE PROPOSAL IS CLEARLY DESIGNED AS SUCH OR WHEN IT IS DETERMINED TO BE IN THE BEST INTEREST OF THE COUNTY.

CREDIT TERMS: VENDOR WILL INDICATE ALL DISCOUNTS FOR FULL AND/OR PROMPT PAYMENT. DISCOUNT WILL BE CONSIDERED AS A COST FACTOR IN THE DETERMINATION OF AWARD, EXCEPT DISCOUNTS OFFERED FOR PAYMENT WITHIN LESS THAN TEN (10) CALENDAR DAYS. DISCOUNTS

OFFERED WILL BE COMPUTED FROM DATE OF RECEIPT OF CORRECT INVOICE OR RECEIPT AND ACCEPTANCE OF PRODUCTS, WHICHEVER IS LATER.

SELLER'S INVOICE: INVOICE WILL BE PREPARED AND SUBMITTED IN DUPLICATE TO ADDRESS SHOWN ON THE PURCHASE ORDER. SEPARATE INVOICES ARE REQUIRED FOR EACH PURCHASE ORDER. INVOICE WILL CONTAIN THE FOLLOWING GENERAL INFORMATION; PURCHASE ORDER NUMBER, ITEM NUMBER, DESCRIPTION OF SUPPLIES, OR SERVICES, SIZES, UNIT OF MEASURE, QUANTITY, UNIT PRICE AND EXTENDED PRICE.

SAFETY: ALL PRACTICES, MATERIALS, SUPPLIES, AND EQUIPMENT WILL COMPLY WITH THE FEDERAL OCCUPATIONAL SAFETY AND HEALTH ACT, AS WELL AS ANY PERTINENT FEDERAL, STATE AND/OR LOCAL SAFETY OR ENVIRONMENTAL CODES. IT IS THE RESPONSIBILITY OF THE VENDOR TO PROVIDE MATERIAL SAFETY DATA SHEETS FOR PRODUCT(S) REQUIRING THE SAME.

DISCLAIMER OF LIABILITY: THE COUNTY NOR ANY OF ITS AGENCIES, WILL NOT HOLD HARMLESS OR INDEMNIFY ANY BIDDER FOR ANY LIABILITY WHATSOEVER.

HOLD HARMLESS: THE CONTRACTOR AGREES TO PROTECT, DEFEND, INDEMNIFY AND HOLD THE COUNTY OF KERSHAW, ITS OFFICERS, EMPLOYEES AND AGENTS FREE AND HARMLESS FROM AND AGAINST ANY AND ALL LOSSES, PENALTIES, DAMAGES, SETTLEMENTS, COSTS CHARGES, PROFESSIONAL FEES OR OTHER EXPENSES OR LIABILITIES OF EVERY KIND AND CHARACTER ARISING OUT OF OR RELATING TO ANY AND ALL CLAIMS, LIENS, DEMANDS, OBLIGATIONS, ACTIONS, PROCEEDINGS OR CAUSE OF ACTION OF EVERY KIND AND CHARACTER IN CONNECTION WITH OR ARISING DIRECTLY OR INDIRECTLY OUT OF THIS AGREEMENT AND/OR THE PERFORMANCE HEREOF, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, ANY AND ALL SUCH CLAIMS, ETC., RELATING TO PERSONAL INJURY, INFRINGEMENT OF ANY PATENT, TRADEMARK, COPYRIGHT, (OR APPLICATION FOR ANY THEREOF) OR OF ANY OTHER TANGIBLE OR INTANGIBLE PERSONAL OR PROPERTY RIGHT, OR ACTUAL OR ALLEGED VIOLATION OF ANY APPLICABLE STATUTE, ORDINANCE, ADMINISTRATIVE ORDER, RULE OR REGULATION, OR DECREE OF ANY COURT WILL BE INCLUDED IN THE INDEMNITY HEREUNDER. THE CONTRACTOR FURTHER AGREES TO INVESTIGATE, HANDLE, RESPOND TO PROVIDE DEFENSE FOR AND DEFEND ANY SUCH CLAIMS, ETC. AT HIS/HER SOLE EXPENSE AND AGREES TO BEAR ALL OTHER COSTS AND EXPENSES RELATED THERETO, EVEN IF SUCH CLAIM IS GROUNDLESS, FALSE OR FRAUDULENT.

LAW GOVERNING: ALL CONTRACTUAL AGREEMENTS WILL BE SUBJECT TO, GOVERNED BY, AND CONSTRUED ACCORDING TO THE LAWS OF THE STATE OF SOUTH CAROLINA.

ANTI-DISCRIMINATION CLAUSE: NO PROPOSER ON THIS REQUEST WILL IN ANY WAY, DIRECTLY OR INDIRECTLY, DISCRIMINATE AGAINST ANY PERSON BECAUSE OF AGE, RACE, COLOR, HANDICAP, SEX, NATIONAL ORIGIN, OR RELIGIOUS CREED.

**Kershaw County, South Carolina
Request for Proposals on Actuarial Services**

General Information

Introduction

Kershaw County, South Carolina is currently seeking actuarial services that will assist in the implementation of Governmental Accounting Standards Board (GASB) Statement No. 45, *Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions*. In preparation for implementation of GASB 45, an actuarial valuation is needed to determine the county's liability related to other post-employment benefits (OPEB). The actuarial valuation should be performed in accordance with GASB 45 and applicable actuarial standards issued by the Actuarial Standards Board. The requirements for GASB 45 will be effective for the County's financial statements covering the fiscal year beginning on July 1, 2008 and ending June 30, 2009. The full, initial valuation will be a one-time project to bring the County into compliance. It is expected that there will be periodic follow-up reviews and updated forecasting as required by GASB regulations. The desired completion date for the initial study will be ninety (90) days of contract award.

Background

Kershaw County, South Carolina is located in the midlands area of the State of South Carolina. The current estimated population is approximately 58,168. The number of employees and elected/appointed officials covered under this proposal is approximately 285. Qualification for OPEB is as follows:

Insurance Benefits at Retirement: These rules apply to retirees of Kershaw County, who have retired on service, age, or an approved disability with retirement or Long Term Disability and have met the criteria below. State of South Carolina Notice of Election for retiree group coverage should be submitted within 31 days of the date of retirement or during an announced enrollment period.

County Retiree Benefit*, assuming all other requirements for retirement are met

<u>Employee has:</u>	<u>Health benefits paid</u>
<10 years of service and eligible for retirement	<u>Employee pays total premium</u>
10-25 years of service and eligible for retirement	<u>Employer pays one half of premium cost, employee pays balance</u>
25+ years of service	<u>Employer pays its share</u>

<u>and age 55 (until 65)</u>	<u>Employee pays his/her share</u>
<u>25+ years of service</u>	<u>Employer pays one half of,</u>
<u>and over 65</u>	<u>premium cost, employee pays balance</u>
<u>28+ years of service</u>	<u>Employer pays its share</u>
<u>until age 65</u>	<u>Employee pays his/her share</u>

For new hires after July 1, 2008, the employee must have 25 years of service in the South Carolina Retirement System to be eligible for cost sharing of insurance benefits upon retirement. If the employee meets the years of service requirement, the County will pay half of the premium cost with the employee being responsible for the other half.

*For all employees hired after July 1, 2005, the five years of earned service prior to retirement must have been earned with Kershaw County; otherwise the employee pays the total premium. The employee must be eligible for retirement at the time he/she leaves active county employment.

Kershaw County is a local government participant in the State of South Carolina Health and Dental Insurance Plans. The County was excluded from being a part of the State of South Carolina's OPEB Trust and therefore must obtain its own actuarial valuation under GASB 45.

Scope of Actuarial Services

The County desires to hire an actuarial firm that will provide the following comprehensive actuarial services provided in a written report:

1. Analyze data received from the County to access any inconsistencies and make recommendations for enhancing data quality.
2. Prepare and actuarial valuation following GASB 45 standards. Include the following information:
 - o The actuarial present value of total projected benefits
 - o Unfunded actuarial accrued liability
 - o Actuarial accrued liability
 - o Actuarial value of assets
 - o Normal Cost
 - o Annual required contribution of the employer as a level dollar amount and as a level percentage of covered payroll
 - o Net OPEB obligation for disclosure under GASB 45
3. Prepare the necessary material for the Comprehensive Annual Financial Report to comply with GASB OPEB reporting and disclosure requirements.
4. Determine the implicit rate study, if any, and the impact it would have on OPEB liability.
5. As appropriate, provide recommendations on managing the OPEB liability.

The successful Proposer will be expected to make presentations to the administrative staff and County Council in the form of a summary report. The County further expects ongoing and open communications between the County Representative and the Proposer over the course of the project. All recommendations must comply with all applicable State and Federal laws and enhance the County's ability to recruit and retain qualified personnel.

Proposal Requirements

General

All proposals submitted in response to this RFP will become the property of Kershaw County, South Carolina and will not be returned. Upon opening, proposals are subject to public disclosure consistent with the South Carolina Code of Laws, 1976, as amended. During the evaluation process, the County reserves the right to request additional information or clarifications from responding firms and to allow corrections of errors and/or omissions.

Statement of Qualifications

To be considered, a Proposer must be a full-service consulting firm with expertise in actuarial services, especially GASB 45. The Proposer should be able to demonstrate that its actuarial services and administrative recommendations have been successfully implemented and maintained in at least three operations of comparable size and scope. Similar services (such as FASB) will be accepted.

Proposal Guidelines

All proposal submitted in response to this RFP must contain the following information:

- a. Name, address, telephone number, facsimile number and email of the firm.
- b. Description of the firm (corporation, partnership, etc.) and year established.
- c. State of incorporation, if any, and type of ownership.
- d. Names of all partners, principals and/or owners of the firm, number of credentialed actuaries.
- e. Name and biography of all proposed Proposer(s)/facilitator(s).
- f. Name, title and business address of the person responsible for submitting the proposal and for the supervising actuary.
- g. Detail the specific data your firm would require in order to complete the actuarial study and in what format the data needs to be transmitted.
- h. Describe the firm's methodology, summarizing how the firm will work with the County to determine the proper actuarial cost method, actuarial asset valuation method, amortization method and key

assumptions to the valuation based on relevant accounting and actuarial standards.

- i. Include a copy of a sample report the County can expect to see upon completion of the project.
- j. An estimate of time required to complete the project and a proposed timeline of work tasks, with the date of final completion of the project.
- k. In a separate envelope, include a breakdown of the firm's rates, fees and charges for services, for the total project (including "not to exceed" amount) and a proposed payment schedule.
- l. At least three references, including individual contact name, name of company and a phone number whom the County may contact.
- m. Describe any limits on liability that the firm requires from its clients due to negligence of the firm. The firm should indicate if there are any pending legal actions against it.
- n. Include a sample arrangement letter or contract that your firm would require to secure this engagement.
- o. Provide an affirmative statement that the firm is independent of the County and is unaware of any potential conflicts of interest if it were selected to perform the requested work.
- p. Include a transmittal letter indicating the firm's interest in providing the service and any other information that would assist the County in making a selection. A person legally authorized to bind the firm to an agreement must sign the letter.
- q. The firm should warrant that the firm maintains errors and omissions insurance that provides a prudent amount of coverage for negligent acts or omissions and that its coverage is applicable to the work requested in the proposal.
- r. Certify that, in accordance with Section 44-107-10 through 44-107-90 of the 1976 South Carolina Code of Laws, as amended, you will provide a drug-free workplace during the term of this contract.

Deadline/Instructions for Submission

For consideration to be given to any proposal submitted pursuant to this RFP, Proposals must be received by **3:00 PM on November 25, 2008** at the address listed below and envelopes addressed:

**Actuarial Services Proposal
Kershaw County
Attn: Jennie Hammond, Procurement
515 Walnut Street
Camden, SC 29020**

Two separate envelopes must be remitted for this proposal. One (1) envelope must include the complete proposal and be clearly marked "Proposal"

Documents” and one (1) envelope must include only the cost portion of the proposal and clearly marked “Cost Proposal”. The envelopes must include the Proposer’s return address. A Proposer may submit the proposal by personal delivery or by mail, but not by facsimile or email. Proposals received after the required time or in any other location than the Procurement Office will not be accepted. The County cautions Proposers to assure actual delivery of mail or hand-delivered proposals directly to the Procurement Office prior to the delivery deadline. A proposal received after the established deadline will not be considered for this Proposal.

County Representative

Additional information concerning this RFP may be obtained by contacting:
Jennie Hammond, Procurement
Kershaw County, South Carolina
515 Walnut Street
Camden, SC 29020
Phone: (803) 425-1500; Fax: (803) 425-1546
jennie.hammond@kershaw.sc.gov

All Proposers are expected to carefully examine the proposal documents. Any ambiguities or inconsistencies should be brought to the attention of the County through written communication with the contact listed above prior to the opening of proposals.

Presentations

Any Proposer who submits a proposal may be requested to make an on-site presentation of its capability to perform as described in its proposal to Kershaw County. Such a presentation will be at the Proposer’s expense and will provide an opportunity for the firm to clarify its proposal to ensure a thorough mutual understanding. The County Representative will schedule such a presentation if deemed necessary.

Criteria for Selection

The criteria upon which proposals will be evaluated include, but are not limited to, the following:

- Price and timeline as indicated in the proposal in relationship to the services provided
- Compliance with the RFP
- Capability and availability of the professional staff to serve Kershaw County in a competent and timely manner.
- Demonstrated knowledge and experience working with similar clients.
- Proposer’s past performance in terms of quality of service, compliance with contractual requirements and performance schedules.

- Scope of services to be provided and administrative recommendations made.
- Qualifications of the firm, including but not limited to its experience and personnel assigned to this project.

This Request for Proposal (RFP) is an invitation by Kershaw County for Proposers to submit an offer which may be subject to subsequent discussion. It is not a request for competitive bid. Submittal of a proposal does not create any right in or expectation to a contract with Kershaw County and the County further declares that it will not incur a financial obligation for any costs incurred by any company in preparing their proposal.

Contract Awards

Each proposal will be reviewed by key county personnel and a recommendation made to the Kershaw County Council. The County anticipates entering into a written contract with the Proposer who submits the proposal judged by the County to be most advantageous. An official contract or agreement is not binding until proposals are reviewed and accepted by appointed staff, approved by the appropriate level of authority within the County and executed by the parties.

The County reserves the right to reject all proposals, to abandon the project, or to re-advertise for and solicit other proposals. The County may, in its discretion, waive any informalities, technicalities and irregularities contained in a proposal or in the manner of its submittal and award a contract to the Proposer who, in the County's opinion, has submitted the Proposal most advantageous to the County. The County further reserves the right to negotiate any and all elements of the proposal. Proposers may withdraw their proposals by notifying the County in writing at any time prior to the submission deadline. After the deadline, proposals shall become a record of the County and will not be returned to the Proposers. All proposals shall remain valid and binding upon the Proposers for a period of sixty (60) days following the proposal submission date.

Cost and Fee Arrangements

The Proposer must provide a proposal with maximum "not to exceed" cost for the project based on the project described herein. To the extent desired, additional recommendations and services or options may be included as additions to the project on an optional basis. These optional items may be priced separately from this RFP.

Insurance

The Proposer, if awarded the contract, during the performance of the services under the contract shall maintain insurance coverage reflecting the minimum amounts and conditions specified herein, and shall provide originals or certified copies of all policies, which shall be written by an insurance company authorized to do business in South Carolina. Misrepresentation of any material fact, whether intentional or not, regarding the Proposer's insurance coverage, policies, or capabilities may be grounds for rejection of the proposal and rescission of any awarded contract.

The following insurance coverage must be maintained:

- a. **Worker's Compensation Insurance:** The Proposer shall procure and maintain for the life of this Agreement, worker's compensation insurance covering all employees with limits meeting all applicable state and federal laws. This coverage shall include employer's liability insurance. The policy must contain waiver of subrogation in favor of Kershaw County executed by the insurance company. Thirty (30) days notice of cancellation is required and must be provided to Kershaw County via Certified Mail, Return Receipt Requested.
- b. **Comprehensive General Liability:** The Proposer shall procure and maintain for the life of the contract, comprehensive general liability insurance. This coverage shall be on an "occurrence" basis and have a combined \$1,000,000 limit for bodily injury, personal injury and property damage. Thirty (30) days notice of cancellation is required and must be provided to Kershaw County via Certified Mail, Return Receipt Requested.
- c. **Professional Liability:** The proposer shall procure and maintain professional liability insurance for the life of the contract, plus two (2) years after completion. This insurance shall provide coverage for liability resulting from the contract. The minimum limits of coverage shall be \$1,000,000 with a deductible not to exceed \$25,000. The deductible is the responsibility of the insured. Thirty (30) days notice of cancellation is required and must be provided to Kershaw County via Certified Mail, Return Receipt Requested. If the Proposer is self-insured, the County will have to be satisfied that the Proposer's net worth is sufficient to assure the coverage required under this RFP.

Proposer shall not commence work under the contract until all insurance required as stated herein has been obtained and such insurance have been approved by the County.

Indemnity

The contractor agrees to protect, defend, indemnify, and hold the County of Kershaw, its officers, employees, and agents free and harmless from and against all losses, penalties, damages, settlements, cost charges, professional fees, or

other expenses or liabilities of every kind and character arising out of or relating to any and all claims, liens, demands, obligations, actions, proceedings or cause of action of every kind and character in connection with or arising directly or indirectly out of this agreement and/or performance hereof, without limiting the generality of the foregoing, any and all such claims, etc., relating to personal injury, infringement of any patent, trademark, copyright, (or application thereof) or of any other tangible or intangible personal or property right, or actual or alleged violation of any applicable statute, ordinance, administrative order, rule or regulation, or decree of any court will be included in the indemnity hereunder. The contractor further agrees to investigate, handle, respond to provide defense for, and defend any such claims, etc., at his/her sole expense and agrees to bear all other cost and expenses related hereto, even if such claim is groundless, false or fraudulent.

Term of Contract

This contract will be for two years with an option of renewing for two (2) one year contracts. Kershaw County may terminate this contract, at any time with or without cause, or with or without prior notice when it is in the best interest of the County.



Kershaw County Government Center
515 Walnut Street
Camden, South Carolina 29020

RFP #08-704-16

ADDENDUM I

November 13, 2008

PROPOSAL DUE DATE/TIME: 11/25/08 – 3:00 PM

Answers to written questions on Actuarial RFP:

- 1. Upon retirement does a retiree have a choice of plans or is there only one health and dental plan available?** Upon retirement an employee may choose any of the available state plans. Once the employee reaches the age of 65 years old, he/she may also choose to leave the state plan and receive 50% of the premium cost for the State of South Carolina's Medicare Supplement Plan or receive at no charge to the retiree a private Medicare Supplement Plan (retiree only) paid for by Kershaw County.
- 2. Are your premiums based on County experience or do all participating entities have the same premiums?** The County's premiums have an experience factor built into the total premium cost. Currently, the county pays an additional 5.5% premium for its health insurance plans based on the experience rating. The experience rating is calculated on an annual basis.
- 3. Should the retiree decide to purchase his/her own medical and dental insurance would the County reimburse a portion of such cost?** The County does not reimburse any portion of the premiums paid by retirees for medical and dental insurance purchased by the retiree from outside insurers. The County does pay the total premium for the private Medicare Supplement Plan (retiree only) or 50% of the premium for the State Medicare Supplement Plan offered to retirees over the age of 65 who decide to use Medicare as their primary insurance coverage.
- 4. Is any life insurance provided to retiree? Any other benefits provided by the County to retirees?** Retirees may purchase state life insurance at their own cost without any supplement from the County. The life insurance premiums are based on age. There are no other benefits provided by the County to retirees.

5. **The RFP appears to require unlimited direct liability, and that the contractor indemnify the County without limitation. We would need to limit both these items to reasonable amounts if we were to consider proceeding. Please inform whether reasonable limits on both items would be acceptable.** Kershaw County expects contractors to stand behind their work and provide reasonable assurances that work performed under contract is accurate and that the County is protected from potential losses and liabilities related to contracted work performed.