



KingCounty

**Finance and Business Operations Division
Procurement and Contracts Services Section
Department of Executive Services**

CNK-ES-0340 206-263-9400 Ph
3rd Floor 206-296-7676 Fax
401 5th Avenue TTY Relay: 771
SEATTLE, WA 98104 www.kingcounty.gov

CONTRACTOR:
HEALTHCARE ACTUARIES
16519 107TH PL NE

BOTHELL, WA 98011-4043 United States
Fax: (425) 9390089

SHIP TO:
KC DES FBOD PCSS GOODS AND SERVICES
401 5TH AVE, CNK-ES-0340
SEATTLE, WA 98104

BILL TO:
KC DES FBOD ACCOUNTS PAYABLE
401 5TH AVE, CNK-ES-0320
SEATTLE, WA 98104

CONTRACT		
CONTRACT NO. 5831543	REVISION 0	PAGE 1 of 1
CREATION DATE 27-JAN-2016	BUYER LINDA MCKINLY	
DATE OF REVISION	BUYER	

CONTRACTOR NO	PAYMENT TERMS	FREIGHT TERMS	FOB	SHIP VIA	CONFIRM TO
8515	PAY IMMEDIATELY	PAID	DESTINATION	UPS	ROGER BURTON Telephone: (425) 939-7444

DESCRIPTION
<p>Complete the King County Governmental Accounting Standards Board (GASB) actuarial valuation biennially and off-year restatement/adjustments for retiree medical plans as requested by authorized King County personnel, during the period February 1, 2016 through December 31, 2026, in accordance with the terms and conditions of Request for Proposal 1356-15-LSM and the submitted response of Healthcare Actuaries, LLC, both incorporated by reference as if fully set forth herein.</p> <p>Estimated Contract Value \$150,000</p>
 _____ Authorized Signature

Services Contract



Department of Executive Services
Finance and Business Operations Division
Procurement and Contract Services Section

206-263-9400

TTY Relay: 711

THIS CONTRACT # 5831543 ("Contract") is entered into by **KING COUNTY**, Washington,, (the "County"), and **HEALTHCARE ACTUARIES LLC** (the "Consultant"), whose address is 16519 107th PINE, Bothell, WA 98011-4043. The County is undertaking certain activities related to GASB 45 and GASB 75 Actuarial Services and the County desires to engage the Consultant to provide Work in connection with such undertakings of the County,

NOW, THEREFORE, in consideration of payments, covenants, and agreements hereinafter mentioned, to be made and performed by the parties hereto, the parties covenant and do mutually agree as follows:

I. CONTRACT DOCUMENTS

The Contractor shall provide all Work described in this Contract, which consists of the following documents and attached exhibits, each of which are made a part hereof by this reference in the following order of precedence:

1. Contract Amendment(s)
2. Contract, which consists of this page, the Terms and Conditions, and the following:
 - Scope of Work Exhibit A
 - Price Attachment (if applicable) Exhibit B
 - Consultant Disclosure Form (if applicable) Exhibit C
 - Certificate(s) of Insurance and Policy Endorsement Exhibit D
3. Request for Proposal (as modified by any addenda)
 - King County Request for Proposals Exhibit E
4. Contractor's Proposal
 - Proposal Exhibit F

II. CONTRACT TERM

The initial contract period will be for five (5) years from the start date of the contract. The term of the contract may be extended for (5) additional years in one or two year increments for a total contract duration of ten (10) years, in accordance with the County's best interest and at the sole option of the County.

III. CONTRACT AMOUNT

The County shall reimburse the Contractor upon Acceptance of the Work specified in this Contract according to the Pricing Attachment (Exhibit B).

COMPANY NAME

Roy J. Burton
Authorized Signature

ROGER T. BURTON, PRESIDENT
Name and Title (Print or Type)

Date
Accepted: 1/28/2016

KING COUNTY

[Signature]
Authorized Signature

Mary Burmano HR Director
Name and Title (Print or Type)

Date 2/11/16
Accepted: [Signature]

Approved as to form only:
King County Prosecuting Attorney

TERMS AND CONDITIONS

SECTION 1 - DEFINITIONS

1.1 Definitions

Words and terms shall be given their ordinary and usual meanings. Where used in the Contract documents, the following words and terms shall have the meanings indicated. The meanings shall be applicable to the singular, plural, masculine, feminine and neuter of the words and terms.

ACCEPTANCE OR ACCEPTED	-	A written determination by the County that the Contractor has completed the Work in accordance with the Contract.
CONTRACT AMENDMENT	-	A written change to the Contract modifying, deleting or adding to the terms and conditions or Scope of Work, signed by both parties, with or without notice to the sureties.
CONTRACTOR	-	The individual, association, partnership, firm, company, corporation, or combination thereof, including joint ventures, contracting with the County for the performance of Work under the Contract.
DAY	-	Calendar day.
KCC	-	The King County Code.
MEASURABLE AMOUNT OF WORK	-	A definitive allocation of an employee's time that can be attributed to Work performed under this Contract, but that is not less than a total of one hour in any one week period.
PERSON	-	Includes individuals, associations, firms, companies, corporations, partnerships, and joint ventures.
PROJECT MANAGER	-	The individual designated by the County to manage the project on a daily basis and who may represent the County for Contract administration.
RCW	-	The Revised Code of Washington.
SCOPE OF WORK (SOW)	-	An exhibit to the Contract consisting of a written description of the Work to be performed.
SUBCONTRACTOR	-	The individual, association, partnership, firm, company, corporation, or joint venture entering into an agreement with the Contractor to perform any portion of the Work covered by this Contract.

WORK -	Everything to be provided and done for the fulfillment of the Contract and shall include services, goods and supplies specified under this Contract, including Contract Amendments.
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SECTION 2 - GENERAL PROVISIONS

2.1 Administration

The Contractor shall be responsible for performing the Work. The County is not a party to defining the division of Work between the Contractor and its Subcontractors, if any.

The Contractor represents that it has or shall obtain all personnel, materials and equipment required to perform the Work under this Contract.

2.2 Acceptance of Work

Upon completion of the Contract or a purchase order issued under the Contract, the Contractor shall give the County written "notice of completion" of Work. The County shall review the Work for Acceptance. In addition, the County may Accept Work by phase or milestone. In such case, the Contractor will give the County written "notice of completion" of Work related to a specific phase or milestone following the Contractor's completion of all such Work in accordance with the payment schedule and delivery requirements in the Contract.

2.3 Warranty

Contractor warrants that the Work shall in all material respects conform to the requirements of this Contract. Contractor further warrants that qualified professional personnel with in-depth knowledge shall perform the Work in a timely and professional manner, and that the Work shall conform to the standards generally observed in the industry for similar Work.

2.4 Payment Procedures; Prompt Payment of Subcontractors

For Work Accepted by the County the Contractor shall furnish invoices to King County Accounts Payable, M/S MLK-ES-0320, 401 – Fifth Avenue, Seattle, WA 98104. All invoices shall include: purchase order and/or contract number, invoice date, number, and total. For each item invoiced, provide the complete description of the products, services, phases or milestones Accepted, hours worked and Contract hourly rates, or authorized fees.

The County will not be bound by prices contained in an invoice that are higher than those in Exhibit B, or if not used as part of this Contract, then the current price list for this Contract approved by the County. Within thirty (30) Days after receipt of an invoice, the County shall pay the Contractor for Accepted Work, upon acceptance of payment Contractor waives any claims for the Work covered by the invoice.

If the Contractor is registered with the State of Washington it shall add all applicable State sales or use taxes to each invoice and upon receipt of the payment promptly remit appropriate amounts to the State of Washington, or the County will make payment directly to the State.

The Contractor agrees to pay each Subcontractor under this Contract for satisfactory performance of its Subcontract within ten (10) Days from the receipt of each payment the Contractor receives from the County.

2.5 Pricing

Prices shall remain firm for the duration of the Contract. The Contractor may request a price change(s) in writing delivered to the county. The Contractor shall provide documentation satisfactory to the County in support of its request, such as changes to the Producers Price Index for the commodity, the Consumer Price Index for the Seattle-Tacoma-Bremerton area, or a manufacturer's published notification of price change(s). The County reserves the right, in its sole discretion, to grant the request as submitted, engage the Contractor in a discussion about modifications to the request, or deny the request in its entirety. Any change in pricing granted by the County shall be affected through a Contract Amendment instituting the price adjustment and establishing an effective date.

2.6 Shipping Charges

All prices shall include freight FOB to the designated delivery point. The County shall reject requests for additional compensation for freight charges.

2.7 Contract Amendment

All changes to the Contract shall be made in writing through a Contract Amendment. No oral statement or other conduct by the County shall change or modify the Contract. The County may perform an analysis of cost, price or schedule to determine the reasonableness of the proposed change to the Contract.

2.8 Changed Requirements

New federal, state and county laws, regulations, ordinances, policies and administrative practices may be established after the date this Contract is established and may apply to this Contract. To achieve compliance with changing requirements, the Contractor agrees to accept all changed requirements that apply to this Contract and require Subcontractors to comply with revised requirements as well. Changed requirements shall be implemented through Section 2.7, Contract Amendment.

2.9 Taxes, Licenses, and Certificate Requirements

If, for any reason, the Contractor's required licenses or certificates are terminated, suspended, revoked or in any manner modified from their status at the time this Contract becomes effective, the Contractor shall notify the County immediately of such condition in writing. The Contractor and Subcontractor(s) shall maintain and be liable for payment of all applicable taxes (except sales/use taxes), fees, licenses permits and costs as may be required by applicable federal, state or local laws and regulations as may be required to provide the Work under this Contract.

2.10 Notices

Unless otherwise specified in the Contract, all notices or documentation required or provided pursuant to this Contract shall be in writing and shall be deemed duly given when received at the addresses first set forth below via certified or registered first class mail, return receipt requested, personal delivery or electronic mail. However, if any of the following occur: "notice to cure" a default, Contractor communication in connection with an alleged default, or notice of termination, such notice or communication shall only be delivered personally, or by certified or registered first class mail, return receipt requested.

KING COUNTY	CONSULTANT
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Project Manager – Karleen Sakumoto	Roger Burton, Healthcare Actuaries
500 – 4 th Ave Adm-ES-553	16519 107 th PI NE
Seattle, WA 98104	Bothell, WA 98011-4043
206- 263-2442	425-939-7444
Karleen.sakumoto@kingcounty.gov	Rburton@hcact.com

2.11 Certification Regarding Debarment, Suspension and Other Responsibility Matters

If this Contract is a covered transaction for purposes of federally funded grant requirements, the Contractor is required to verify that none of the Contractor, its principals, as defined at 49 CFR 29.995, or affiliates, as defined at 49 CFR 29.905, are excluded or disqualified as defined at 49 CFR 29.940 and 29.945. The Contractor is required to comply with 49 CFR 29, Subpart C and must include the requirement to comply with 49 CFR 29, Subpart C in any lower tier covered transaction it enters into. By signing and submitting this Contract, the Contractor certifies as follows:

The certification in this clause is a material representation of fact relied upon by King County. If it is later determined that the Contractor knowingly rendered an erroneous certification, in addition to remedies available to King County, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment. The Contractor agrees to comply with the requirements of 49 CFR 29, Subpart C while performing this Contract and further agrees to include a provision requiring such compliance in its lower tier covered transactions.

SECTION 3 - LEGAL RELATIONS; INDEMNITY AND INSURANCE

3.1 Independent Status of Contractor

In the performance of this Contract, the parties shall be acting in their individual, corporate or governmental capacities and not as agents, employees, partners, joint ventures, or associates of one another. The parties intend that an independent contractor relationship shall be created by this Contract. The Contractor shall be responsible for all federal and/or state tax, industrial insurance, wages, benefits, or other compensation by or on behalf of the Contractor and its employees. The Contractor shall not make any claim of right, privilege or benefit which would accrue to an employee under chapter 41.06 RCW or Title 51 RCW.

3.2 Indemnification and Hold Harmless

To the maximum extent permitted by law and except to the extent caused by the sole negligence of the County, the Contractor shall indemnify and hold harmless the County, its officers, agents and employees, from and against any and all suits, claims, actions, losses, costs, penalties and damages of whatsoever kind or nature arising out of, in connection with, or incident to the Work provided by or on behalf of the Contractor. This indemnification obligation shall include, but is not limited to, all claims against the County by an employee or former employee of the Contractor or its Subcontractors, and the Contractor, by mutual

negotiation, expressly waives all immunity and limitation on liability, as respects the County only, under any industrial insurance act, including Title 51 RCW, other Worker's Compensation act, disability benefit act, or other employee benefit act of any jurisdiction which would otherwise be applicable in the case of such claim. In addition, the Contractor shall protect and assume the defense of the County and its officers, agents and employees in all legal or claim proceedings arising out of, in connection with, or incidental to such Work; and shall pay all defense expenses, including reasonable attorney's fees, expert fees and costs incurred by the County on account of such litigation or claims. In the event that the County incurs any judgment, award and/or expense or cost, including attorney fees, arising from the provisions of this Section 3.2, or to enforce the provisions of this Section 3.2, any such judgment, award, fees, expenses and costs shall be recoverable from the Contractor.

The indemnification, hold harmless, protection and defense obligations contained herein shall survive the expiration, abandonment or termination of this Contract.

Nothing contained within this Section 3.2 shall affect and/or alter the application of any other section contained within this Contract.

3.3 Insurance Requirements

Upon execution of this Contract, the Contractor, at its own cost, shall have procured and will maintain for the duration of this Contract, insurance as specified in the Minimum Scope and Limits of Insurance. The Contractor shall furnish the County with certificates of insurance and endorsements required by this Contract. The County reserves the right to require complete, certified copies of all required insurance policies at any time.

Each insurance policy shall be written on an "occurrence" form; except that professional liability, errors and omissions, will be acceptable on a "claims made" form.

If coverage is approved and purchased on a "claims made" basis, the Contractor warrants continuation of coverage, either through policy renewals or the purchase of an extended discovery period, if such extended coverage is available, for not less than three years from the date of completion of the Work which is the subject of this Contract.

By requiring such minimum insurance coverage, the County shall not be deemed or construed to have assessed the risks that may be applicable to the Contractor under this Contract. The Contractor shall assess its own risks and, if it deems appropriate and/or prudent, maintain greater limits and/or broader coverage.

Nothing contained within these insurance requirements shall be deemed to limit the scope, application and/or limits of the coverage afforded, which coverage will apply to each insured to the full extent provided by the terms and conditions of the policy(s). Nothing contained within this provision shall affect and/or alter the application of any other provision contained within this Contract.

A. Minimum Scope and Limits of Insurance

The Contractor shall maintain limits no less than,

1. Professional Liability, Errors and Omissions: \$3,000,000 Per Claim and in the Aggregate
2. Workers' Compensation: Statutory requirements of the State of residency, and
3. Employers' Liability or "Stop Gap" coverage: \$1,000,000

B. Other Insurance Provisions and Requirements

The insurance coverage(s) required in this Contract are to contain, or be endorsed to contain the following provisions:

All Liability Policies except Workers Compensation and Professional Liability:

1. The County, its officers, employees and agents are to be covered as additional insureds as respects liability arising out of activities performed by or on behalf of the Contractor in connection with this Contract. Such coverage shall be primary and non-contributory insurance as respects the County, its officers, officials, employees and agents. Additional Insured Endorsement shall be included with the certificate of insurance, "CG 2010 11/85" or its equivalent is required. **The County requires this Endorsement to complete the Contract.**

All Policies:

1. The Contractor's insurance coverage shall apply separately to each insured against whom a claim is made and/or lawsuit is brought, except with respect to the limits of the insurer's liability.
2. Any deductibles or self-insured retentions must be declared to, and approved by, the County. The deductible and/or self-insured retention of the policies shall not limit or apply to the Contractor's liability to the County and shall be the sole responsibility of the Contractor
3. Coverage shall not be suspended, voided, canceled, reduced in coverage or in limits, until after forty-five (45) Days prior written notice, has been given to the County.
4. Insurance coverage is to be placed with insurers with a Bests' rating of no less than A: VIII, or, if not rated with Bests', with minimum surpluses the equivalent of Bests' surplus size VIII.

Professional Liability, Errors and Omissions insurance coverage may be placed with insurers with a Bests' rating of B+:VII. Any exception must be approved by the County.

If at any time any of the foregoing policies fail to meet minimum requirements, the Contractor shall, upon notice to that effect from the County, promptly obtain a new policy, and shall submit the same to the County, with the appropriate certificates and endorsements, for approval.

C. Subcontractors

The Contractor shall include all Subcontractors as insureds under its policies, or shall furnish separate certificates of insurance and policy endorsements for each Subcontractor. **Insurance coverages provided by Subcontractors as evidence of compliance with the insurance requirements of this Contract not provided by the Contractor, shall be subject to all of the requirements stated herein.**

D. Work Site Safety

The Contractor shall have the "right to control" and bear the sole responsibility for the job site conditions, and job site safety. The Contractor shall comply with all applicable federal, state and local safety regulations governing the job site, employees and Subcontractors.

The Contractor shall be responsible for the Subcontractor's compliance with these provisions.

SECTION 4 - CONFLICTS OF INTEREST AND NON-COMPETITIVE PRACTICES

4.1 Conflicts of Interest and Non-Competitive Practices

- A. Conflict of Interest - By entering into this Contract to perform Work, the Contractor represents that it has no direct or indirect pecuniary or proprietary interest, and that it shall not acquire any such interest, that conflicts in any manner or degree with the Work required to be performed under this Contract. The Contractor shall not employ any Person or agent having any conflict of interest. In the event that the Contractor or its agents, employees or officers hereafter acquires such a conflict of interest, it shall immediately disclose such conflict to the County. The County shall require that the Contractor take immediate action to eliminate the conflict.
- B. Contingent Fees and Gratuities - By entering into this Contract to perform Work, the Contractor represents that:
 - 1. No Persons except as designated by Contractor shall be employed or retained to solicit or secure this Contract with an agreement or understanding that a commission, percentage, brokerage, or contingent fee would be paid.
 - 2. No gratuities, in the form of entertainment, gifts or otherwise, were offered or given by the Contractor or any of its officers, agents, employees or representatives, to any official, member or employee of the County or other governmental agency with a view toward securing this Contract or securing favorable treatment with respect to the awarding or amending, or the making of any determination with respect to the performance of this Contract.
 - 3. Any Person having an existing contract with the County or seeking to obtain a contract who willfully attempts to secure preferential treatment in his or her dealings with the County by offering any valuable consideration, thing or promise, in any form to any County official or employee shall have his or her current contracts with the County canceled and shall not be able to bid on any other County contracts for a period of two (2) years.
- C. Disclosure of Current and Former County Employees - To avoid any actual or potential conflict of interest or unethical conduct:
 - 1. County employees or former County employees are prohibited from assisting with the preparation of proposals or contracting with, influencing, advocating, advising or consulting with a third party, including Contractor, while employed by the County or within one (1) year after leaving County employment if he/she participated in determining the Work to be done or processes to be followed while a County employee.
 - 2. Contractor shall identify at the time of offer current or former County employees involved in the preparation of proposals or the anticipated performance of Work if awarded the Contract. Failure to identify current or former County employees involved in this Contract may result in termination of this Contract.

3. After Contract award, the Contractor is responsible for notifying the County's Project Manager of current or former County employees who may become involved in the Contract any time during the term of the Contract.

SECTION 5 - RECORDS AND AUDITS

5.1 Retention of Records, Audit Access and Proof of Compliance with Contract

A. Retention of Records

The Contractor and its Subcontractors shall maintain books, records and documents of its performance under this Contract in accordance with generally accepted accounting principles. The Contractor shall retain for six (6) years after the date of final payment under the Contract all financial information, data and records for all Work.

B. Audit Access

The Contractor shall provide access to its facilities, including those of any Subcontractors, to the County, the state and/or federal agencies or officials at all reasonable times in order to monitor and evaluate the Work provided under this Contract. The County shall give reasonable notice to the Contractor of the date on which the audit shall begin.

5.2 Audit Exception

The Contractor agrees that it is financially responsible for and will repay the County all indicated amounts following an audit exception that occurs due to the negligence, intentional act and/or failure for any reason to comply with the terms of this Contract by the Contractor, its officers, employees, agents, and/or representatives. This duty to repay shall survive the expiration or termination of this Contract.

5.3 Federal Funding Audit

If the Contractor expended a total of \$500,000.00 or more in federal awards during its fiscal year, and is a non-profit organization, and is, under this Contract, carrying out or administering a program or portion of a program, it shall have an independent audit conducted in accordance with OMB Circular A-133, which shall comply with the requirements of GAAS (generally accepted auditing standards), GAO's Government Audit Standards and OMB Circular A-133, as amended and as applicable. Contractors expending federal awards from more than one source shall be responsible for determining if the combined financial awards are equal to or greater than \$500,000.00. The Contractor shall provide one copy of the audit report to each County division providing federal awards to the Contractor no later than nine (9) months subsequent to the end of the Contractor's fiscal year.

5.4 Public Records Requests

This Contract shall be considered a public document and will be available for inspection and copying by the public in accordance with the Public Records Act, chapter 42.56 RCW (the "Act").

If the Contractor considers any portion of any record provided to the County under this Contract, whether in electronic or hard copy form, to be protected under law, the Contractor shall clearly identify each such portion with words such as "CONFIDENTIAL," "PROPRIETARY" or "BUSINESS SECRET." If a request is made for disclosure of such

portion, the County will determine whether the material should be made available under the Act. If the County determines that the material is subject to disclosure, the County will notify the Contractor of the request and allow the Contractor ten (10) business days to take whatever action it deems necessary to protect its interests. If the Contractor fails or neglects to take such action within said period, the County will release the portions of record(s) deemed by the County to be subject to disclosure. The County shall not be liable to the Contractor for inadvertently releasing records pursuant to a disclosure request not clearly identified by the Contractor as "CONFIDENTIAL," "PROPRIETARY" or "BUSINESS SECRET."

SECTION 6 - INTELLECTUAL PROPERTY

6.1 Patents, Copyrights and Rights in Subject Data

Any patentable result or materials suitable for copyright arising out of this Contract shall be owned and retained by the County. The County in its sole discretion shall determine whether it is in the public's interest to release or make available any patent or copyright.

The Contractor agrees that the ownership of any plans, drawing, designs, Scope of Work, computer programs, technical reports, operating manuals, calculations, notes and other work submitted or which is specified to be delivered under this Contract, whether or not complete (referred to in this subsection as "Subject Data") shall be vested in the County.

All such Subject Data furnished by the Contractor pursuant to this Contract, other than documents exclusively for internal use by the County, shall carry such notations on the front cover or a title page (or in such case of maps, in the name block), as may be requested by the County. The Contractor shall also place its endorsement on all Contractor-furnished Subject Data. All such identification details shall be subject to approval by the County prior to printing.

The Contractor shall ensure that the substance of foregoing subsections is included in each subcontract for the Work under this Contract.

6.2 Nondisclosure of Data

Data provided by the County either before or after Contract award shall only be used for its intended purpose. Contractors and Subcontractors shall not utilize nor distribute the County data in any form without the prior express written approval of the County.

6.3 Non-Disclosure Obligation

While performing the Work under this Contract, the Contractor may encounter personal information, licensed technology, drawings, schematics, manuals, data and other materials described as "Confidential", "Proprietary" or "Business Secret". The Contractor shall not disclose or publish the information and material received or used in performance of this Contract. This obligation is perpetual. The Contract imposes no obligation upon the Contractor with respect to confidential information which the Contractor can establish that: a) was in the possession of, or was rightfully known by the Contractor without an obligation to maintain its confidentiality prior to receipt from the County or a third party; b) is or becomes generally known to the public without violation of this Contract; c) is obtained by the Contractor in good faith from a third party having the right to disclose it without an obligation of confidentiality; or, d) is independently developed by the Contractor without the participation of individuals who have had access to the County's or the third party's confidential information.

If the Contractor is required by law to disclose confidential information the Contractor shall notify the County of such requirement prior to disclosure.

SECTION 7 – NONDISCRIMINATION AND PAYMENT OF A LIVING WAGE

7.1 Nondiscrimination and Equal Employment Opportunity

A. Nondiscrimination in Employment

During performance of this Contract, the Contractor agrees that it will not discriminate against any employee or applicant for employment because of the employee or applicant's sex, race, color, marital status, national origin, religious affiliation, disability, sexual orientation, gender identity or expression or age except by minimum age and retirement provisions, unless based upon a bona fide occupational qualification.

B. Equal Employment Opportunity Efforts

The Contractor will undertake, and require all Subcontractors to undertake equal employment opportunity efforts to ensure that applicants and employees are treated, without regard to their sex, race, color, marital status, national origin, religious affiliation, disability, sexual orientation, gender identity or expression or age. Equal employment opportunity efforts shall include, but not be limited to, the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeships. The Contractor agrees to post, and to require Subcontractors to post in conspicuous places available to employees and applicants for employment notices setting forth this nondiscrimination clause. In accordance with KCC 12.16.010.J, "equal employment opportunity efforts" shall mean active efforts to ensure equal opportunity in employment that is free from all forms of discrimination.

Ref: KCC 12.16.020.

C. Equal Benefits to Employees with Domestic Partners

In accordance with King County Ordinance 14823, as a condition of award of a contract valued at \$25,000 or more, the Contractor agrees that it shall not discriminate in the provision of employee benefits between employees with spouses and employees with domestic partners during the performance of this Contract. Absent authorization for delayed or alternative compliance, failure to comply with this provision shall be considered a material breach of this Contract, and may subject the Contractor to administrative sanctions and remedies for breach.

When the contract is valued at \$25,000 or more, by signing the Contract/Bid Submittal the Contractor is indicating compliance with this requirement or with the terms of an authorization for delayed or alternative compliance.

D. Nondiscrimination in Subcontracting Practices.

During the term of this Contract, the Contractor shall not create barriers to open and fair opportunities to participate in County contracts or to obtain or compete for contracts and subcontracts as sources of supplies, equipment, construction and services. In considering offers from and doing business with subcontractors and suppliers, the Contractor shall not discriminate against any person because of their sex, race, color, marital status, national

origin, religious affiliation, disability, sexual orientation, gender identity or expression or age except by minimum age and retirement provisions, unless based upon a bona fide occupational qualification.

E. Compliance with Laws and Regulations.

The Contractor and all Subcontractors shall comply fully with all applicable federal, state and local laws, ordinances, executive orders and regulations that prohibit discrimination. These laws include, but are not limited to, Chapter 49.60 RCW, Titles VI and VII of the Civil Rights Act of 1964, the American with Disabilities Act, and the Restoration Act of 1987. KCC chapters 12.16, 12.17 and 12.18 are incorporated herein by reference and the requirements in these code sections shall specifically apply to this Contract. The Contractor and all Subcontractors shall further comply fully with any equal opportunity requirements set forth in any federal regulations, statutes or rules included or referenced in the contract documents.

F. Small Contractors and Suppliers Policy.

Policy. It is King County policy that Small Contractors and Suppliers (SCS) have equitable opportunities to participate in the performance of goods and services contracts issued by King County, and that contractors and subcontractors shall afford equal opportunity in employment while providing supplies and services for and to King County.

Inquiries and Information Regarding King County Certified SCS Firms. Direct inquiries on how to apply for SCS certification, or obtain a list of King County Certified Firms to the King County Business Development and Contract Compliance (BDCC) office by telephone at 206-263-9734. Information about becoming a King County Certified SCS Firm, as well as a Directory of King County Certified Firms is available at: <http://www.kingcounty.gov/bdcc>.

Definitions. The following definitions shall apply throughout this Section.

1. "Administrator" means the Director of Finance.
2. "Certified SCS Firm" means a business that has applied for participation in King County's Contracting Opportunities Program, and has been certified as an SCS by the King County BDCC office.
3. "Small Contractor or Supplier" or "(SCS)" means that a business and the person or persons who own and control it are in a financial condition, which puts the business at a substantial disadvantage in attempting to compete for public contracts. The relevant financial condition for eligibility under the Contracting Opportunities Program is based on a dollar ceiling for standard business classifications that is set at fifty percent (50%) of the Federal Small Business Administration (SBA) small business size standards using the North American Industrial Classification System (NAICS), and an Owners' Personal Net Worth less than \$750K dollars.

G. Required Proposals During Work.

The Contractor shall collect, enter, submit and update the Proposals listed below for itself, its Subcontractors and any sub tier Subcontractors and suppliers to BDCC using the Contracts and Apprenticeship Report Tracking Services (CARTS) online reporting website located at <http://www.kingcounty.gov/bdcc>. Report forms are available on the website. Assistance may be obtained by contacting BDCC staff at 206-263-9734.

1. Subcontractor List. The Contractor shall create and maintain a master list of all Subcontractors on this Contract; the Contractor shall continually maintain the Subcontractors and Suppliers.
 2. Contractor Payments. The Contractor shall enter and submit the amount received from the County for itself and the amounts paid by the Contractor to all Subcontractors, including Certified SCS Firms. Entries shall be entered in CARTS on a monthly basis.
 3. Final Affidavits of Amounts Paid. Upon completion of the Work and as a condition precedent to final payment, the Contractor shall upload a Final Affidavit of Amounts Paid electronically using CARTS. Identify amounts paid to each firm that performed Work on this Contract.
- H. Compliance with Section 504 of the Rehabilitation Act of 1973, as amended (Section 504) and the American with Disabilities Act of 1990 as amended (ADA).

Pursuant to Title II of the ADA, and Section 504, King County must not discriminate against people with disabilities in providing services, programs or activities even if those services, programs or activities are carried out by contractors. The Contractor agrees that it shall provide all programs, services, and activities to County employees or members of the public under this Contract in the same manner as King County is obligated to under Title II of the ADA, and Section 504 and shall not deny participation of the benefits of such services, programs, or activities to people with disabilities on the basis of such disability. Failure to comply with this Section 7.1.H shall be a material breach of, and grounds for the immediate termination of, this Contract.

The Contractor agrees to provide to persons with disabilities access to programs, activities and services provided under the Contract, as required by the disability access laws as defined by KCC 12.16.

The Contractor shall not discriminate against persons with disabilities in providing the Work. In any subcontracts for the programs, activities and services under their Contract, the Contractor shall include the requirement that the Subcontractor provide to persons with disabilities access to programs, activities and services provided under the Contract, as required by the disability access laws as defined by KCC 12.16; that the Subcontractor shall not discriminate against persons with disabilities in providing the Work under the Contract; and that the Subcontractor shall provide that the County is a third party beneficiary to that required provision.

- I. Sanctions for Violations - Any violation of the mandatory requirements of the provisions of this Section shall be a material breach of Contract, for which the Contractor may be subject to damages, withholding payment and any other sanctions provided for by Contract and by applicable law.

7.2 Nondiscrimination and Payment of a Living Wage

In accordance with King County Ordinance 17909, as a condition of award for contracts for services with an initial or amended value of \$100,000 or more, the Contractor agrees that it shall pay and require all Subcontractors to pay a living wage as described in the ordinance, to employees for each hour the employee performs a Measurable Amount of Work on this

Contract. The requirements of the ordinance, including payment schedules, are detailed at <http://www.kingcounty.gov/operations/procurement/Resources/ordinance-17909.aspx>.

Violations of this requirement may result in disqualification of the Contractor from bidding on or being awarded a County contract for up to two years; contractual remedies including, but not limited to, liquidated damages and/or termination of the Contract; remedial action as set forth in public rule; and other civil remedies and sanctions allowed by law.

SECTION 8 - CLAIMS AND APPEALS / DISPUTE RESOLUTION

8.1 Claims and Appeals

The Contractor shall address claims for additional time or compensation under the Contract in writing to the Buyer and Project Manager within ten (10) Days of the date in which the Contractor knows or should know of the basis for the claim. Claims shall be accompanied by supporting documentation and citation to applicable provisions in the Contract documents. The County reserves the right to request additional documentation necessary to adequately review the claim. No claim by the Contractor shall be allowed if asserted after final payment under this Contract. The Buyer and Project Manager shall ordinarily respond to the Contractor in writing with a decision issued jointly, but absent such written response, the claim shall be deemed denied upon the tenth (10th) Day following receipt by the Buyer and Project Manager of the claim, or requested additional documentation, whichever is later.

In the event the Contractor disagrees with the determination of the Buyer and Project Manager, the Contractor shall, within five (5) Days of the date of such determination, appeal the determination in writing to the Procurement and Contract Services Section Manager. Such written notice of appeal shall include all information necessary to substantiate the appeal. The Procurement and Contract Services Section Manager shall review the appeal and make a determination in writing, which shall be final. Appeal to the Procurement and Contract Services Section Manager on claims for additional time or compensation shall be a condition precedent to litigation.

At all times, the Contractor shall proceed diligently with the performance of the Contract and in accordance with the direction of the Buyer or Project Manager. Failure to comply precisely with the time deadlines under this Section 8.1 as to any claim and appeal shall operate as a waiver and release of that claim and appeal and an acknowledgment of prejudice to the County.

8.2 Mediation and Arbitration

If a dispute arises out of or relates to this Contract, or the breach thereof, including any Contractor claim, that is not resolved through the required claims and appeal process set forth in Section 8.1, the parties may, upon mutual agreement, endeavor to settle the dispute in an amicable manner by mediation or other agreed form of alternative dispute resolution process prior to commencing litigation.

8.3 Applicable Law and Forum

This Contract shall be governed by and construed according to the laws of the State of Washington. Any claim or suit between the parties arising out of this Contract may only be filed and prosecuted in King County Superior Court or U.S. District for the Western District of Washington, in Seattle.

SECTION 9 - TERMINATION

9.1 Termination for Convenience/Default/Non-Appropriation

A. Termination for Convenience

This Contract may be terminated by the County without cause, in whole or in part, upon providing the Contractor ten (10) Days' advance written notice of the termination. If the Contract is terminated pursuant to this Section 9.1.A, the County will be liable only for payment in accordance with the terms of this Contract for Work performed and Accepted prior to the effective date of termination.

B. Termination for Default

If the Contractor does not perform the Work, or the Contractor fails to perform in the manner called for in the Contract, or if the Contractor fails to comply with any material provisions of the Contract, the County may terminate this Contract, in whole or in part, for default as follows:

1. A "notice to cure" shall be served on the Contractor by certified or registered first class mail in accordance with Section 2.10. The Contractor shall have ten (10) Days from the date of receipt to cure the default or provide the County with a detailed written plan for review and acceptance, which indicates the time and methods needed to bring the Work into compliance and cure the default.
2. If the Contractor has not cured the default or the plan to cure the default is not acceptable to the County, the County may terminate the Contract by serving a "notice of termination" in accordance with Section 2.10 setting forth the manner in which the Contractor is in default and the effective date of termination.
3. The Contractor shall only be paid for Work performed and Accepted less any damages to the County caused by or arising from such default. All termination payment requests are subject to an analysis of cost or price by the County to verify compliance with the Contract, applicable laws and regulations.
4. The termination of this Contract shall in no way relieve the Contractor from any of its obligations under this Contract nor limit the rights and remedies of the County hereunder in any manner.

C. Termination for Non-Appropriation

1. If expected or actual funding is withdrawn, reduced or limited in any way prior to the termination date set forth in this Contract or in any Contract Amendment hereto, the County may, upon written notice to the Contractor, terminate this Contract in whole or in part.

If the Contract is terminated pursuant to this Section 9.1.C: 1) the County shall be liable only for payment in accordance with the terms of this Contract for Work performed and Accepted prior to the effective date of termination; and, 2) the Contractor shall be released from any obligation under this Contract affected by the termination or a related purchase order to provide further Work pursuant to the Contract.

2. Notwithstanding any provision to the contrary, funding under this Contract beyond the current appropriation year is conditional upon the appropriation by the County Council of sufficient funds to support the Work described in this Contract. Should such an appropriation not be approved, the Contract shall terminate at the close of the current appropriation year.

SECTION 10 - MISCELLANEOUS

10.1 Other Public Agency Orders

Other federal, state, county and local entities may utilize the terms and conditions established by this Contract if agreeable to all parties. The County does not accept any responsibility or involvement in the purchase orders or contracts issued by other public agencies.

10.2 Assignment

Neither party shall assign any interest, obligation or benefit under or in this Contract or transfer any interest in the same, whether by assignment or novation, without prior written consent of the other party. If assignment is approved, this Contract shall be binding upon and inure to the benefit of the successors of the assigning party. This provision shall not prevent Contractor from pledging any proceeds from this Contract as security to a lender so long as King County Policy Fin10-1 (AP), section 6.1.3 is followed. If an assignment is approved, it shall be effective upon the posting of all required bonds, securities and the like by the assignee and the written agreement by assignee to assume and be responsible for the obligations and liabilities of the Contract, known and unknown, and applicable law.

10.3 Force Majeure

The term "force majeure" shall include, without limitation by the following enumeration: acts of nature, acts of civil or military authorities, terrorism, fire, accidents, shutdowns for purpose of emergency repairs, industrial, civil or public disturbances, causing the inability to perform the requirements of this Contract. If any party is rendered unable, wholly or in part, by a force majeure event to perform or comply with any obligation or condition of this Contract, upon giving notice and reasonably full particulars to the other party, such obligation or condition shall be suspended only for the time and to the extent commercially practicable to restore normal operations. In the event the Contractor ceases to be excused pursuant to this provision, then the County shall be entitled to exercise any remedies otherwise provided for in this Contract, including termination for default.

10.4 Recycled Products Policy

Contractors able to supply products containing recycled and environmentally preferable materials that meet performance requirements are encouraged to offer them in bids and proposals.

The Contractor shall use recycled paper for all printed and photocopied documents related to the submission of this solicitation and fulfillment of the Contract and shall, whenever practicable, use both sides of the paper.

Ref: KCC 10.16 & King County Executive Policy CON 7-1-2.

10.5 HIPAA – Protecting Patient Privacy

The Work under this Contract may require compliance with “The Health Insurance Portability and Accountability Act of 1996” (HIPAA). Information on this Act can be found at the U.S. Office of Civil Rights website: <http://www.hhs.gov/ocr/hipaa/>.

10.6 No Third Party Beneficiary

This Contract is for the sole and exclusive benefit of the County and the Contractor and shall not create a contractual relationship with, or cause of action in favor of, any third party.

10.7 Severability

Whenever possible, each provision of this Contract shall be interpreted to be effective and valid under applicable law. If any provision is found to be invalid, illegal or unenforceable, then such provision or portion thereof shall be modified to the extent necessary to render it legal, valid and enforceable and have the intent and economic effect as close as possible to the invalid, illegal and unenforceable provision.

10.8 Non-Waiver of Breach

No action or failure to act by the County shall constitute a waiver of any right or duty afforded to the County under the Contract; nor shall any such action or failure to act by the County constitute an approval of, or acquiescence in, any breach hereunder, except as may be specifically stated by the County in writing.

SECTION 11 – FEDERAL TRANSIT ADMINISTRATION (FTA) REQUIREMENTS

This Contract shall be partially funded by the Federal Transit Administration (FTA). The following provisions include, in part, certain standard terms and conditions required by the U.S. Department of Transportation. All Contractual provisions required by the U.S. Department of Transportation, as set forth in FTA Circular 4220.1F, dated November 1, 2008, as are the requirements of the Master Agreement between King County and the U.S. Department of Transportation, including all “flow down” provisions to third party Contractors, Subcontractors and or suppliers are hereby incorporated by reference. Unless stated otherwise, all FTA mandated terms shall be deemed to control in the event of a conflict with other provisions contained in this Contract. The Contractor agrees not to perform any act, fail to perform any act, or refuse to comply with any County requests that would cause the County to be in violation of the FTA terms and conditions.

11.1 Changes in Federal laws, Regulations, Policies and Administrative Practices

New federal laws, regulations, and directives may be established after the date this Contract is established and may apply to this Contract. To achieve compliance with changing federal requirements, the Contractor agrees to accept all changed requirements that apply to this Contract and require Subcontractors comply with revised requirements as well.

Ref: FTA Master Agreement MA (16), 10-1-2009, Section 2(c).

11.2 Federal Changes

The Contractor agrees to comply with all applicable FTA laws, regulations and directives, including without limitation, those listed directly or by reference in the Master Agreement between the County and FTA, as they may be amended or promulgated from time to time during the term of this Contract. Contractor's failure to comply shall constitute a material breach of this Contract.

Ref: 49 CFR Part 18 and FTA Master Agreement MA (16), 10-1-2009, Section 2(c).

11.3 No Federal Government Obligations to Third Parties

The Contractor agrees that, notwithstanding any concurrence by the Federal Government in or approval of the solicitation or award of this Contract, absent the express written consent by the Federal Government, the Federal Government is not a party to this Contract and shall not be subject to any obligations or liabilities to the Contractor or any other party (whether or not a party to this Contract) pertaining to any matter resulting from this Contract.

The Contractor agrees to include the above clause in each subcontract financed in whole or in part with Federal assistance provided by FTA. It is further agreed that the clause shall not be modified, except to identify the Subcontractor who shall be subject to its provisions.

Ref: FTA Master Agreement MA (16), 10-1-2009, Section 2(f).

11.4 Equal Employment Opportunity

The Contractor shall not discriminate against any employee or applicant for employment because of race, color, creed, sex, disability, age, or national origin. The Contractor shall take affirmative action to ensure that the hiring of applicants and treatment of employees during employment is conducted without regard to their race, color, creed, sex, disability, age, or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. Contractor further agrees to insert a similar provision in all Subcontracts, except Subcontracts for standard commercial supplies or raw materials.

The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this non-discrimination clause.

Ref: Executive Order 11246, as amended by Executive Order 11375; Title VII of the Civil Rights Act, as amended, 42 USC § 2000e; Federal transit laws at 49 USC § 5332; section 4 of the Age Discrimination in Employment Act of 1967, as amended, 29 USC §§ 621-634; section 102 of the Americans with Disabilities Act, as amended, 42 USC §§ 12101 et seq.; 29 CFR Parts 1625 and 1630; 41 CFR § 60-1.4, Title IX of the Education Amendments of 1972, as amended, 20 USC §§ 1681 et seq., and with implementing U.S. DOT regulations, "Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance," 49 CFR Part 25. .

11.5 Title VI Compliance

The Contractor shall comply with and shall ensure the compliance by all Subcontractors under this Contract with all the requirements imposed by Title VI of the Civil Rights Act of 1964 (42 USC 2000d) and the regulations of the federal Department of Transportation, "Nondiscrimination in Federally-Assisted Programs of the Department of Transportation -- Effectuation of Title VI of the Civil Rights Act," 49 CFR Part 21, (hereinafter "Regulations") as they may be amended from time to time. The Federal Government and or the County has a right to seek judicial enforcement with regard to any matter arising under Title IV of the Civil Rights Act and implementing regulations.

Ref: 49 CFR Part 21.19.

During the performance of this Contract, the Contractor, for itself, its assignees and successors-in-interest agrees as follows:

- A. Nondiscrimination—49 CFR Part 26. The Contractor or Subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this Contract. The Contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of United States Department of Transportation ("USDOT") — assisted contracts. Failure by the Contractor to carry out these requirements is a material breach of this Contract, which may result in the termination of this Contract or such other remedy, as the County deems appropriate.
- B. Prompt Payment. The Contractor agrees to pay each Subcontractor under this Contract for satisfactory performance of its Contract no later than thirty (30) Days from the receipt of each payment the Contractor receives from the County. The Contractor agrees further to return retainage payments to each Subcontractor within thirty (30) Days after the Subcontractor's Work is satisfactorily completed. Any delay or postponement of payment from the above referenced period may occur only for good cause following written approval of the County. This clause applies to both DBE and non-DBE Subcontractors.
- C. Solicitations for Subcontracts, Including Procurements of Materials and Equipment. In all solicitations either by competitive bidding or negotiation made by the Contractor for Work to be performed under a subcontract, including procurements of materials or leases of equipment, each potential Subcontractor or supplier shall be notified by the Contractor of the Contractor's obligations under this Contract and the Regulations relative to nondiscrimination on the grounds of race, color or national origin.
- D. Sanctions for Noncompliance. In the event of the Contractor's noncompliance with the nondiscrimination provisions of this Contract, King County shall impose such contract sanctions as it or the FTA may determine to be appropriate, including, but not limited to:
- E. Withholding of payments to the Contractor under the contract until the Contractor complies, and/or
- F. Cancellation, termination, or suspension of the contract, in whole or in part.
- G. Incorporation of Provisions. The Contractor shall include the provisions of paragraphs A through D in every Subcontract, including procurements of materials and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The Contractor shall take such action with respect to any subcontract or procurement as the County or the FTA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, however, that in the event a Contractor becomes involved in, or is threatened with, litigation with a Subcontractor or supplier as a result of such direction, the Contractor may request the County to enter into such litigation to protect the interests of the County and, in addition, the Contractor may request the United States to enter into such litigation to protect the interests of the United States.
- H. Contractor's List. Contractor is requested to submit the name, address, DBE/Non-DBE status, annual gross receipts, and age of all Subcontractors and suppliers bidding or quoting on DOT-assisted projects. Compliance with the requirement to report the Contractor's List information is a matter of responsibility. Contractor is requested to submit the Contractor's List prior to Contract Work.

11.6 Disadvantaged Business Enterprise Requirements.

- A. DBE Participation. The County has not established a DBE goal for this Contract. In accordance with this section, the County has an overall annual DBE goal of thirteen percent (13%) for FTA assisted projects. However, the County requires that the Contractor report any actual DBE participation on this Contract to enable the County to monitor accurately DBE program compliance.

- B. Reporting Requirement. The USDOT requires that the Contractor report any actual DBE participation on this Contract to enable the County to monitor DBE participation accurately and for reporting purposes.
- C. DBE Eligibility. A DBE means a business certified as a DBE by the Washington State Office of Minority and Women's Business Enterprise (OMWBE).
- D. DBE Listing. A Directory of DBE firms certified by the Washington State Office of Minority and Women's Business Enterprises (OMWBE) is available online at the following website address: <http://www.omwbe.wa.gov/directory/directory.htm> Telephone the OMWBE at 360-753-9693. **All DBE firms must be certified by OMWBE.**
- E. Counting DBE Participation. The County will count DBE participation toward its annual overall DBE goal as provided for in 49 CFR 26.55.
1. DBE Contractor. The County will only count the Work a DBE Contractor performs with its own forces as well as the Work performed by DBE Subcontractors with their own work forces.
 2. Joint Venture. When a DBE performs as a participant in a joint venture, King County will only count that portion of the total dollar value of the contract equal to the distinct, clearly defined portion of the Work that the DBE performs with its own forces.
 3. Commercially Useful Function. The County will count expenditures to a DBE contractor only for DBEs who perform a commercially useful function on that contract.
 - a. DBE performs a commercially useful function when it is responsible for execution of the Work of the Contract and is carrying out its responsibilities by actually performing, managing, and supervising the Work involved. To perform a commercially useful function, the DBE must also be responsible, with respect to materials and supplies used on the contract, for negotiating price, determining quality and quantity, ordering the material, installing (where applicable) and paying for the material itself.
 - b. DBE does not perform a commercially useful function if its role is limited to that of an extra participant in a transaction, contract or project through which funds is passed in order to obtain the appearance of DBE participation.
 1. A DBE does not perform a commercially useful function if it fails to exercise responsibility with its own work force for at least 30 percent of the total cost of its contract, or the DBE subcontracts a greater portion of the Work of a Contract than would be expected on the basis of normal industry practice for the type of Work involved.
 4. Expenditures with DBEs. Expenditures with DBEs for materials or supplies shall be counted as provided in the following:
 - a. **Manufacturer.** If the materials or supplies are obtained from a DBE manufacturer, count 100 percent of the cost of the materials or supplies towards the DBE goal. A manufacturer is a firm that operates or maintains a factory or establishment that produces, on the premises, the materials, supplies, articles, or equipment required under the contract and of the general character described by the specifications.
 - b. **Regular Dealer.** If the materials or supplies are purchased from a DBE regular dealer, count 60 percent of the cost of the materials or supplies. A regular dealer is a firm that owns, operates, or maintains a store, warehouse, or other establishment in which the materials, supplies, articles or equipment of the general character described by the specifications and required under the

contract are bought, kept in stock, and regularly sold or leased to the public in the usual course of business.

1. To be a regular dealer a firm must be an established, regular business that engages, as its principal business and under its own name, in the purchase and sale or lease of the products in question.
- c. A Person may be a regular dealer in such bulk items as petroleum products, steel, cement, gravel, stone, or asphalt without owning, operating, or maintaining a place of business, as provided in this Section (4)(b), if the Person both owns and operates distribution equipment for the products. Any supplementing of regular dealers' own distribution equipment shall be by a long-term lease agreement and not on an ad hoc or contract-by-contract basis. The cost of the materials and supplies themselves shall be counted.
5. Purchases from a DBE. With respect to materials or supplies purchased from a DBE who is neither a manufacturer nor a regular dealer, count the entire amount of fees or commissions charged for assistance in the procurement of the materials and supplies, or fees or transportation charges for the delivery of materials or supplies required on a job site, provided the fees are reasonable and typical for the services rendered. No part of the cost of the materials and supplies themselves shall be counted.

11.7 Disadvantaged Business Enterprise and Other Small Business Participation

The County encourages Contractors to carry out the following steps to facilitate DBE and other small business participation, which may be either on a direct basis in response to this solicitation or as a Subcontractor to a bidder.

- A. Solicit through all reasonable and available means (e.g., attendance at pre-bid meetings, advertising and/or written notices) DBE and other small businesses that have the capability to perform the Work of the Contract.
- B. Select portions of the Work to be performed by Subcontractors to increase the likelihood that DBE and other small businesses' goals will be achieved
- C. Provide interested Subcontractors with adequate information about the plans, specifications, and requirements of the contract in a timely manner to assist them in responding to a solicitation.
- D. Negotiate in good faith with interested DBEs and other small businesses.
- E. Avoid rejecting DBEs and other small businesses as being unqualified without sound reasons based on a thorough investigation of their capabilities. The Contractor's standing within its industry, membership in specific groups, organizations, or associations and political or social affiliations (for example union vs. non-union employee status) are not legitimate causes for the rejection or non-solicitation of bids in the Contractor's efforts to obtain DBE and other small business participation.
- F. Make efforts to assist interested DBEs and other small businesses in obtaining bonding, lines of credit, or insurance as required by the recipient or Contractor.
- G. Make efforts to assist interested DBEs and other small businesses in obtaining necessary equipment, supplies, materials, or related assistance or services.
- H. Effectively use the services of available minority/women community organizations, Contractors' groups, local, state, and Federal minority/women business assistance offices; Disadvantaged Business Enterprise and other organizations as allowed on a

case-by-case basis to provide assistance in the recruitment and placement of DBEs and other small businesses.

11.8 Audit and Inspection of Records

In the case of all negotiated Contracts and Contracts for construction, reconstruction or improvement of facilities and equipment, which were entered into under other than competitive proposal procedures, Contractor agrees that the County, the Comptroller General of the United States or any of their duly authorized representatives, shall, for the purpose of audit and examination be permitted to inspect and reproduce as needed all work, materials, payrolls, and other data and records with regard to the project, and to audit the books, records and accounts with regard to the project. Further, Contractor agrees to maintain all required records for at least three (3) years after the County makes final payment and all other pending matters are closed.

Ref: 49 USC § 5325(g); 18 CFR Part 18.36 (i); 49 CFR Part 633.17; and FTA Master Agreement MA (16), 10-1-2009, Section 8 (c) and (d).

11.9 Buy America General Waiver

The procurement is exempt from FTA "Buy America" requirements in 49 USC § 5323(j), 49 CFR Part 661 because of a General Waiver.

In accordance with Appendix A to 49 CFR § 661.7 General Waivers (d), "Under the provisions of § 661.7(b) and (c) of this part, microcomputer equipment, including Software, of foreign origin can be procured by grantees."

11.10 Privacy

Should the Contractor, or any of its Subcontractors, or their employees administer any system of records on behalf of the Federal Government, the Privacy Act of 1974, 5 USC § 552a, imposes information restrictions on the party administering the system of records.

For purposes of the Privacy Act, when the Agreement involves the operation of a system of records on individuals to accomplish a government function, the recipient and any Contractors, third party Contractors, Subcontractors and their employees involved therein are considered to be government employees with respect to the government function. The requirements of the Act, including the civil and criminal penalties for violations of the Act, apply to those individuals involved. Failure to comply with the terms of the Act or this provision of this Contract shall make this Contract subject to termination.

The Contractor agrees to include this clause in all subcontracts awarded under this Contract that involve the design, development, operation, or maintenance of any system of records on individuals subject to the Act.

11.11 Access Requirements for Individuals with Disabilities

The County and the Contractor are required to comply with all applicable requirements of the Americans with Disabilities Act of 1990 (ADA), 42 USC §§ 12101, et seq.; Section 504 of the Rehabilitation Act of 1973, as amended, 29 USC § 794; and 49 USC § 5301(d), and the following regulations and any amendments thereto:

U.S. Department of Transportation regulations, "Transportation Services for Individuals with Disabilities (ADA)," 49 CFR Part 37;

U.S. Department of Transportation regulations, "Nondiscrimination on the Basis of Disability in Programs and Activities receiving from Federal Financial Assistance," 49 CFR Part 27;

- U.S. Department of Transportation regulations, "Americans With Disabilities (ADA) Accessibility Specifications for Transportation Vehicles," 49 CFR Part 38;
- U.S. Department of Justice (DOJ) regulations, "Nondiscrimination on the Basis of Disability in State and Local Government Services," 28 CFR Part 35;
- U.S. Department of Justice regulations, "Nondiscrimination on the Basis of Disability by Public Accommodations and in Commercial Facilities," 28 CFR Part 36;
- U.S. General Services Administration regulations, "Construction and Alteration of Public Buildings," 41 CFR Subpart 101-19;
- U.S. Equal Employment Opportunity Commission (EEOC) "Regulations to Implement the Equal Employment Provisions of the Americans with Disabilities Act," 29 CFR Part 1630;
- U.S. Federal Communications Commission regulations, "Telecommunications Relay Services and Related Customer Premises Equipment for the Hearing and Speech Disabled," 47 CFR Part 64, Subpart F; and
- FTA regulations, "Transportation for Elderly and Handicapped Persons," 49 CFR Part 609.

11.12 Interest of Members of or Delegates of Congress

Pursuant to 41 USC § 22, no member of or delegate to the Congress of the United States shall be admitted to any share or part of this Contract or to any benefit arising there from.

11.13 Certification Regarding Debarment, Suspension and Other Responsibility Matters

This Contract is a covered transaction for purposes of 2 CFR part 1200. As such, the Contractor is required to verify that none of the Contractor, its principals, as defined at 49 CFR 29.995, or affiliates, as defined at 49 CFR 29.905, are excluded or disqualified as defined at 49 CFR 29.940 and 29.945.

The Contractor is required to comply with 2 CFR 1200, Subpart C and must include the requirement to comply with 2 CFR 1200, Subpart C in any lower tier covered transaction it enters into.

By signing and submitting this Contract, the Contractor certifies as follows:

The certification in this clause is a material representation of fact relied upon by King County. If it is later determined that the Contractor knowingly rendered an erroneous certification, in addition to remedies available to King County, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment. The Contractor agrees to comply with the requirements of 2 CFR 1200, Subpart C while this offer is valid and throughout the period of any Contract that may arise from this Contract. The Contractor further agrees to include a provision requiring such compliance in its lower tier covered transactions.

11.14 Disclosure of Lobbying Activities

Contracts in excess of \$150,000 require a Certificate of Lobbying Activities, to be completed and submitted to the County with the proposal, as required by 49 CFR Part 20, "New Restrictions on Lobbying."

The Contractor certifies that it shall not and has not used Federal appropriated funds to pay any Person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal Contract, grant or any other award covered by the Byrd Anti-Lobbying Amendment, 31 USC § 1352. The Contractor shall

disclose the name of any registrant under the Lobbying Disclosure Act of 1995, codified at 2 USC § 1601 et seq., who has made lobbying contacts on its behalf with non-Federal funds with respect to that Federal Contract, grant or award covered by 31 USC § 1352. Such disclosures are to be forwarded to the County.

The Contractor shall include the language of this certification in all subcontract awards at any tier and require that all recipients of subcontract awards in excess of \$150,000 shall certify and disclose accordingly.

Ref: 49 CFR Part 20, modified as necessary by 31 USC § 1352.

11.15 False or Fraudulent Statements or Claims

The Contractor acknowledges that if it makes, or causes to be made, a false, fictitious, or fraudulent claim, statement, submission, or certification to the County in connection with this project, the County reserves the right to pursue the procedures and impose on the recipient the penalties of 18 USC § 1001, 31 USC §§ 3729 and 3801 et seq., and/or 49 USC § 5307(k)(1), as may be appropriate. The terms of Department of Transportation regulations, "Program Fraud Civil Remedies," 49 CFR Part 31, are applicable to this project.

The Contractor agrees to include this clause in all subcontracts awarded under this Contract.

11.16 Energy Conservation

The Contractor agrees to comply with mandatory standards and policies relating to energy efficiency that are contained in the State Energy Conservation plan issued in compliance with the Energy Policy and Conservation Act, 42 USC §§ 6321 et seq., and 49 CFR Part 18.

The Contractor agrees to include this clause in all subcontracts awarded under this Contract.

11.17 Air Pollution

The Contractor and suppliers may be required to submit evidence to the Project Manager that the governing air pollution criteria shall be met. This evidence and related documents shall be retained by the manager for on-site examination by FTA.

11.18 Environmental Requirements

The Contractor agrees to comply with all applicable standards, orders or requirements as follows:

A. Environmental Protection

The Contractor agrees to comply with the applicable requirements and implementing regulations of the National Environmental Policy Act of 1969, as amended, 42 USC §§ 4321, *et seq.*, consistent with Executive Order No. 11514, as amended, "Protection and Enhancement of Environmental Quality," 42 USC § 4321 note. FTA statutory requirements on environmental matters at 49 USC § 5324(b); Council on Environmental Quality regulations on compliance with the National Environmental Policy Act of 1969, as amended, 42 USC § 4321 *et seq.* and 40 CFR Part 1500, *et seq.*; and joint FHWA/FTA regulations, "Environmental Impact and Related Procedures," 23 CFR Part 771 and 49 CFR Part 622.

B. Air Quality (Applies to contracts of \$150,000 or more)

The Contractor agrees to comply with all applicable standards, orders, or regulations issued pursuant to 42 USC § 7606. The Contractor agrees to report each violation to the County and understands and agrees that the County shall, in turn, report each violation

as required to assure notification to FTA and the appropriate Environmental Protection Agency (EPA) Regional Office.

The Contractor agrees to include this clause in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FTA.

Ref: 42 USC § 7606; 40 CFR Part 51, Subpart T; 40 CFR Part 85; 40 CFR Part 86; and 40 CFR Part 600.

C. Clean Water (Applies to contracts of \$150,000 or more)

The Contractor agrees to comply with all applicable laws, regulations, and directives issued pursuant to the Federal Water Pollution Control Act, as amended, 33 USC §§ 1251-1377. The Contractor agrees to report each violation to the County and understands and agrees that the County shall, in turn, report each violation as required to assure notification to FTA and the appropriate Environmental Protection Agency (EPA) Regional Office.

The Contractor agrees to protect underground sources of drinking water consistent with the provisions of the Safe Drinking Water Act of 1974, as amended, 42 USC §§ 300f through 300j-6.

The Contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FTA.

Ref: 33 USC § 1251.

D. Floodplains (Applies to projects within a 100 year floodplain)

The Contractor agrees to facilitate compliance with the flood hazards protections in floodplains in accordance with Executive Order No. 11988, as amended, "Floodplain Management," 42 USC § 4321 note.

E. Endangered Species and Fisheries Conservation (Applies to projects jeopardizing endangered species)

The Contractor agrees to comply with applicable protections for endangered species of the Endangered Species Act of 1973, as amended, 16 USC §§ 1531 through 1544, and the Magnuson Stevens Fisheries Conservation Act, as amended, 16 USC §§ 1801 *et seq.*

F. Use of Public Lands (Applies to contracts of \$150,000 or more)

The Contractor agrees that no publicly owned land from a park, recreation area, or wildlife or waterfowl refuge of national, state, or local significance as determined by the federal, state or local officials having jurisdiction thereof, or any land from a historic site of national, state, or local significance may be used unless the FTA makes the specific findings required by 49 USC § 303.

G. Historic Preservation (Applies to contracts including land or buildings)

The Contractor agrees to assist the Federal Government in complying with section 106 of the National Historic Preservation Act, as amended, 16 USC § 470f, Executive Order No. 11593, "Protection and Enhancement of the Cultural Environment," 16 USC § 470 note, and the Archaeological and Historic Preservation Act of 1974, as amended, 16 USC §§ 469a-1 *et seq.* involving historic and archaeological preservation as follows:

1. The Contractor agrees to consult with the State Historic Preservation Officer about investigations to identify properties and resources listed in or eligible for inclusion in

the National Register of Historic Places that may be affected by the Contract, in accordance with Advisory Council on Historic Preservation regulations, "Protection of Historic and Cultural Properties," 36 CFR Part 800, and notifying FTA of those properties so affected.

2. The Contractor agrees to comply with all federal requirements to avoid or mitigate adverse effects on those historic properties.

H. Mitigation of Adverse Environmental Effects

The Contractor agrees that if the Work should cause adverse environmental effects, the Contractor shall take all reasonable steps to minimize those effects in accordance with 49 USC § 5324(b), and all other applicable federal laws and regulations, specifically, the procedures of 23 CFR Part 771 and 49 CFR Part 622, 23 CFR 774.

I. Wild and Scenic Rivers

The Contractor agrees to comply with applicable provisions of the Wild and Scenic Rivers Act of 1968, as amended, 16 USC §§ 1271 -1287, relating to protecting components of the national wild and scenic river system, with applicable implementing U.S. Forest Service regulations, "Wild and Scenic Rivers," 36 CFR Part 297, and with applicable implementing U.S. Bureau of Land Management regulations, "Management Areas," 43 CFR 8350.

11.19 Preference for Recycled Products

To the extent practicable and economically feasible, the Contractor agrees to Provide a competitive preference for products and services that conserve natural resources and protect the environment and are energy efficient. Examples of such products may include, but are not limited to, products described in the United States EPA Guidelines at 40 CFR Part 247, implementing section 6002 of the Resource Conservation and Recovery Act, as amended, 42 USC § 6962.

11.20 Termination Provisions Required

All Contracts and subcontracts in excess of \$10,000 shall contain contractual provisions or conditions that allow for termination for cause and convenience by the County including the manner by which it shall be effected and the basis for settlement.

Ref: FTA Circular 4220.1F § IV.2.b.

11.21 Breach Provisions Required

All Contracts in excess of \$150,000 shall contain contractual provisions or conditions that shall allow for administrative, contractual, or legal remedies in instances where the Contractor violates or breaches the terms of this Contract, including sanctions and penalties as may be appropriate. The Contractor agrees to include this provisional requirement in all subcontracts in excess of \$150,000 awarded under this Contract.

Ref: FTA Circular 4220.1F, § IV.2.B

*Note – Applies to contractors that perform safety sensitive functions

11.22 Substance Abuse

Contractor and its subcontractors agrees to comply with U.S. OMB Guidance, "Government wide Requirements for Drug-Free Workplace (Financial Assistance)," 2 CFR Part 182, and U.S. DOT regulations, "Government wide Requirements for Drug-Free Workplace (Financial Assistance)," 49 CFR Part 32, that implement the Drug-Free Workplace Act of 1988, 41 USC

§§ 701 *et seq.*, including any amendments to these U.S. DOT regulations when they are promulgated, and "Prevention of Alcohol Misuse and Prohibited Drug Use in Transit Operations," 49 CFR Part 655, that implement 49 USC § 5331.

END OF TERMS AND CONDITIONS

Exhibit A – Scope of Work

Complete full GASB 45/75 actuarial valuation biennially and complete off-year restatement/adjustment for all retiree medical plans. King County's retiree medical plans include sixteen retiree medical plan designs, including all LEOFF 1, LEOFF 2 and non-sheriffs plans with three tiers (bronze/silver/gold) across two plans (KingCare PPO and Group Health Cooperative HMO), one retiree vision plan, and two additional LEOFF 1 plans. Plans are subject to change. King County's last full GASB 45 valuation occurred following the 2013 plan year and the next full valuation will occur in early 2016 following the 2015 plan year.

Exhibit B — Price Attachment	Resources and Billable Hours			Billable Rates		
	Lead Consulting Actuary	Consulting Actuary	Total Hours	Lead Consulting Actuary	Consulting Actuary	Total/Not-to-Exceed Cap
Healthcare Actuaries						
Consultant	Roger Burton	Naomi Hudetz / Nina Pileggi		\$300.00	\$200.00	

GASB OPEB Valuation Reports

12/31/2015 GASB 45 Valuation Report — Full Valuator	10	85	95	\$3,000	\$17,000	\$20,000
12/31/2016 GASB 45 Valuation Report — Projected Valuation (roll-forward)	4	24	28	\$1,200	\$4,800	\$6,000
12/31/2017 GASB 75 Valuation Report — Full Valuator	10	85	95	\$3,000	\$17,000	\$20,000
12/31/2018 GASB 75 Valuation Report — Projected Valuation (roll-forward)	4	24	28	\$1,200	\$4,800	\$6,000
12/31/2019 GASB 75 Valuation Report — Full Valuator	10	85	95	\$3,000	\$17,000	\$20,000
Sub-Total	38	303	341	\$11,400	\$60,600	\$72,000

Consultant	Roger Burton	Naomi Hudetz / Nina Pileggi		\$330.00	\$220.00	
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GASB OPEB Valuation Reports

12/31/2020 GASB 45 Valuation Report — Projected Valuation (roll-forward)	4	24	28	\$1,320	\$5,280	\$6,600
12/31/2021 GASB 75 Valuation Report — Full Valuator	10	85	95	\$3,300	\$18,700	\$22,000
12/31/2022 GASB 45 Valuation Report — Projected Valuation (roll-forward)	4	24	28	\$1,320	\$5,280	\$6,600
12/31/2023 GASB 75 Valuation Report — Full Valuator	10	85	95	\$3,300	\$18,700	\$22,000
12/31/2024 GASB 45 Valuation Report — Projected Valuation (roll-forward)	4	24	28	\$1,320	\$5,280	\$6,600
Sub-Total	32	242	274	\$10,560	\$53,240	\$63,800

Grand Total

	70	545	615	\$21,960	\$113,840	\$135,800
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Assumptions

This is a fixed-fee bid. The hours shown are estimates of the work necessary to complete each year's report. We will not charge less than, or more than, the total fees shown in the rightmost column.

¹If King County and Healthcare Actuaries extend the contract beyond the initial five-year period, we will guarantee the consultant rates shown below the "Potential Contract Extension" row for up to an additional five years beyond the initial five-year period. The rates will be the minimum of the rates shown above, or, the rates for the initial five-year period multiplied by the sum of one plus the change in the consumer price index urban consumers rate for the Seattle-Tacoma-Bremerton area for December 2020 over December 2019, raised to the fifth power, and then rounded to the nearest whole multiple of five dollars, in accordance with Section I, paragraph Q, of RFP 1356-15-LSM.

Exhibit C – King County Consultant Disclosure

King County Consultant Disclosure



King County

Department of Executive Services
Board of Ethics
CNK-ES-0215
401 Fifth Ave., Suite 215
Seattle, WA 98104
206-263-7821 Fax 206-296-4329
TTY Relay 711
board.ethics@kingcounty.gov

Please read carefully. No payment will be made to the Consultant until this form has been filed with the Contract and with the King County Board of Ethics

For Board of Ethics use only	Date Received _____
	Audit Date _____
	Date Closed _____

Pursuant to King County Code (K.C.C.) 3.04.120, each consultant entering into a contract to provide professional or technical services to the county costing in excess of the amount specified in K.C.C. 4.16.095 shall complete and file this disclosure form with the King County Board of Ethics and the County Executive. Use additional pages, if necessary. Submit two completed forms: file one with the Board of Ethics, Mail Stop CNK-ES-0215, 401 Fifth Avenue, Suite 215, Seattle, WA 98104, and the other with the contract with the Finance and Business Operations Division, Procurement and Contract Services Section, Mail Stop CNK-ES-0340, 401 Fifth Avenue, Suite 340, Seattle, WA 98104.

Unless otherwise required on this form, the information disclosed shall cover the period of 24 months before and including the date of filing of this sworn statement. If the information reported on this form should change, the consultant is required to submit an amended form.

For purposes of this disclosure form, "consultant" means a person (e.g., individual, partnership, association, corporation, firm, institution or other entity as defined in K.C.C. 3.04.017) who by experience, training and education has established a reputation or ability to provide professional or technical services, as defined in K.C.C. 4.16.010, on a discrete, nonrecurring basis over a limited and pre-established term as an independent contractor to the County.

**Please type or print all information, except required signature.
Incomplete forms will be returned.**

Today's Date January 28, 2016

Contract Number 5831543 Amount of Contract \$72,000.00

Consultant's Name Healthcare Actuaries LLC

Address 16519 107th Place NE Phone Number +1 (425) 939-7444

City Bothell State Washington ZIP Code 98011-4043

Effective Date of Contract 2/1/2016 Expiration Date of Contract 1/31/2026

Type of Services Contracted GASB 45/75 Valuation Reports

Contracting County Dept. Executive Services Division Human Resources

County Contact Person Karleen Sakumoto

Contact Work Phone +1 (206) 263-2442 Mail Stop ADM-ES-553

1. List the name of any former county employee who is or will be working for the consultant on this contract whose employment with the county ended within two years from the signing of this form. Attach a separate sheet if necessary.

If none, check this box

Name of Former Employee _____

Former County Department _____

Date Terminated/Ended _____

2. List the name of any former county employee who has a financial or beneficial interest in this contract whose employment with the county ended within two years from the signing of this form. Attach a separate sheet if necessary.

If none, check this box

Name of Former Employee _____

Former County Department _____

Date Terminated/Ended _____

3. List any office or directorship in the consultant held by any county employee or member of his or her immediate family. Attach a separate sheet if necessary.

If none, check this box

Office/Directorship _____

Name _____

Relationship to Employee _____

4. Indicate any financial interest in the consultant held or received by any county employee or any member of his or her immediate family. Attach a separate sheet if necessary.

If none, check this box

Name _____

Relationship to Employee _____

Percentage of stock or other form of interest in the consultant, if more than 5% (indicate percentage of stock or other interest, amount/value and describe)

Receipt of compensation, gift, or thing of value from the consultant (indicate amount/value and describe)

5. List all contracts between the consultant and the county in the five years immediately preceding the presently contemplated contract. Attach a separate sheet if necessary.

If none, check this box

Contract No.	Type of Service Provided	Amount Paid to Consultant	Duration (From-To)	County Department and Division
T02824T	Actuarial Services	\$334,000	1/1/2008 - 12/31/2011	Executive Services
T03504T	GASB 45 Reporting	\$40,000	1/1/2012 - 12/31/2015	Employee Health & WB

6. List any position(s) on any county board or commission, whether salaried or unsalaried, held by any officer or director of the consultant in the five years immediately preceding the presently contemplated contract.

If none, check this box

Officer/Director Name _____

Position _____

Name of County Board or Commission _____

7. Is there any other information known to the consultant about any interest or relationship between any county employee, including any member of his or her immediate family and the consultant other than disclosed above? If so, please explain.

If none, check this box

Declaration

I, Roger T. Burton (print name), declare under penalty of perjury under the laws of the State of Washington that the foregoing is true, complete, and correct.

Signature  Title President & Consulting Actuary

Signed this 28th day of January (month), 2016 .
 at Seattle (city) Washington (state)

**Alternate Formats Available
 206-296-1586 TTY Relay 711**

Exhibit D – Certificate of Insurance and Policy Endorsement



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

02/04/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER CB Malaga Insurance Services LLC WA License # 762661 840 Apollo Street, Suite 125 El Segundo CA 90245		CONTACT NAME: Marie Meggs PHONE (A/C, No, Ext): (310) 796-9056 E-MAIL ADDRESS: mjm@cbspecialty.com FAX (A/C, No): (310) 796-9054	
INSURED Healthcare Actuaries LLC 16519 107th Place Northeast Bothell WA 98011		INSURER(S) AFFORDING COVERAGE INSURER A: Maxum Indemnity Company	NAIC # 26743
INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:			

COVERAGES

CERTIFICATE NUMBER:

REVISION NUMBER:

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

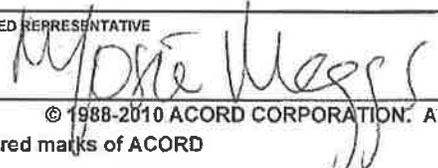
INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	GENERAL LIABILITY <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR GENL AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS:	Y/N	N/A				<input type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTHER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Professional Liability; Claims-made basis			PFP 6022436-03	06/26/2015	06/26/2016	\$3,000,000 Limit, each claim \$3,000,000 Limit, aggregate \$10,000 Deductible, each claim

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

Location: 16519 107th Place Northeast, Bothell, WA 98011
 Description of Operations: Health Actuarial Services and Consulting

Please note that effective 01/28/2016, the professional liability limits have been increased from \$2,000,000/\$2,000,000 to \$3,000,000/\$3,000,000.

CERTIFICATE HOLDER**CANCELLATION**

King County 500 4th Avenue Seattle WA 98104	SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE 
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CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

02/11/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

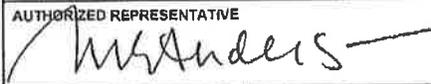
PRODUCER R.L. Evans Company, Inc. 3535 Factoria Blvd SE, Ste 120 Bellevue, WA 98006	CONTACT NAME: Mardi E. Anderson PHONE (A/C, No, Ext): (425)455-0501 FAX (A/C, No): (425)467-5264 E-MAIL ADDRESS: mardi@rlevansco.com
	INSURER(S) AFFORDING COVERAGE NAIC # INSURER A: Foremost Insurance Group INSURER B: INSURER C: INSURER D: INSURER E: INSURER F:
INSURED Healthcare Actuaries LLC 16519 107th Place NE Bothell, WA 98011-4043	

COVERAGES **CERTIFICATE NUMBER: 00000000-142088** **REVISION NUMBER: 4**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER:	Y	PAS002025189	11/08/2015	11/08/2016	EACH OCCURRENCE	\$ 2,000,000
						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 2,000,000
						MED EXP (Any one person)	\$ 10,000
						PERSONAL & ADV INJURY	\$
						GENERAL AGGREGATE	\$ 4,000,000
						PRODUCTS - COMP/OP AGG	\$ 4,000,000
						Bus Pers Prop REPL	\$ 30,700
	AUTOMOBILE LIABILITY					COMBINED SINGLE LIMIT (Ea accident)	\$
	<input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS					BODILY INJURY (Per person)	\$
						BODILY INJURY (Per accident)	\$
						PROPERTY DAMAGE (Per accident)	\$
							\$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> EXCESS LIAB	<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS-MADE				EACH OCCURRENCE	\$
	<input type="checkbox"/> DED <input type="checkbox"/> RETENTION \$					AGGREGATE	\$
							\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	<input type="checkbox"/> Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A				PER STATUTE	OTHER
						E.L. EACH ACCIDENT	\$
						E.L. DISEASE - EA EMPLOYEE	\$
						E.L. DISEASE - POLICY LIMIT	\$

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)
 Certificate holder is Additional Insured per Commercial General Liability policy terms and conditions.

CERTIFICATE HOLDER King County 500- 4th Avenue Seattle, WA 98104	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE  (MEA)
---	--

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BILL	POLICY NUMBER	TC	PRODUCER NUMBER	AC	ACCOUNT NUMBER	AUDIT
D	PAS 02025189		14135388		F004009939-001-00001	NONE
BRANCH GR GRAND RAPIDS					ENDORSEMENT EFF 02/05/2016	



**PRECISION PORTFOLIO POLICY
POLICY CHANGES**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

POLICY EFFECTIVE		POLICY CHANGES EFFECTIVE	COMPANY
FROM	TO		
11/08/2015	11/08/2016	02/05/2016	FOREMOST SIGNATURE INSURANCE COMPANY

NAMED INSURED	AUTHORIZED REPRESENTATIVE
HEALTHCARE ACTUARIES LLC 16519 107TH PLACE NE BOTHELL WA 98011-4043	R. L. EVANS COMPANY, INC. 3535 FACTORIA BLVD SE STE 120 BELLEVUE WA 98006-1290

COVERAGE PARTS AFFECTED
COMMERCIAL GENERAL LIABILITY COVERAGE PART

CHANGES
<p>CHANGED Owners, Lessors Or Contractors - Sch Person Or Org NAME TO KING COUNTY</p> <p>CHANGED Owners, Lessors Or Contractors - Sch Person Or Org ADDRESS TO 500-4TH AVENUE</p> <p>PREMIUM EFFECT OF THIS TRANSACTION: \$.00</p>

Countersigned by _____	Authorized Representative _____	Date _____
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Copyright, Insurance Services Office, Inc., 1983.
Copyright, ISO Commercial Risk Services, Inc., 1983.

Exhibit E – King County Request for Proposals

REQUEST FOR PROPOSALS



Department of Executive Services
Finance and Business Operations Division
Procurement and Contract Services Section
206-263-9400 TTY Relay: 711

ADVERTISED DATE: DECEMBER 29, 2015

Request for Proposal Title: GASB 45 Actuarial Services
Requesting Dept./Div. King County Department of Executive Services – Human Resources
RFP Number: 1356-15-LSM
Due Date: January 21, 2016 - 2:00 p.m.
Buyer: Linda McKinly linda.mckinly@kingcounty.gov, 206- 263-9701
Alternate Buyer: Victoria Nakamichi vicki.nakamichi@kingcounty.gov, 206- 263-9299

Pre-Proposal Conference:
A conference to discuss questions related to this RFP will be held at 2:00 p.m. on Wednesday, January 6, 2016, in conference room 233 on the 2nd Floor of the Chinook Building, 401 Fifth Avenue, Seattle, WA 98104.

Sealed proposals are hereby solicited and will only be received by:
King County Procurement Services Section
Chinook Building, 3rd Floor
401 Fifth Avenue
Seattle, WA 98104
Office Hours: 8:00 a.m. – 5:00 p.m.
Monday - Friday

PROPOSERS MUST COMPLETE AND SIGN THE FORM BELOW (TYPE OR PRINT)

Company Name		
Address		City/State /Postal Code
Signature	Authorized Representative/Title (Print name and title)	
Email	Phone	Fax

Office Use Only: NUM 3 CD-ROM 2 FED Y_TERM/YT Y/5- 5

Upon request, this Request for Proposals will be provided in alternative formats such as Braille, large print, audiocassette or computer disk for individuals with disabilities.

Sealed proposals are hereby solicited and will be received only at the office of the King County Procurement Services Section at 401 Fifth Avenue, 3rd Floor, Seattle, Washington, 98104, no later than 2:00 p.m. on the date noted above regarding the GASB Actuarial Services for the King County Department of Executive Services. These services shall be provided to King County in accordance with the following and the attached instructions, requirements, and specifications.

Proposal: King County requires the proposer to sign and return this entire Request for Proposal (RFP) document. The proposer shall provide one unbound original and three (3) copies of the proposal response, data or attachments offered, for four (4) items total. The original in both cases shall be noted or stamped "Original". In addition, provide two (2) CD-ROM or flash drives, with either one (1) pdf version of the proposal, one (1) Microsoft Word version of the proposal, or both.

Pre-Proposal Conference: A conference to discuss questions related to this RFP will be held at 2:00 p.m. on Wednesday, January 6, 2016, in Conference Room 233, Second Floor of The Chinook Building, 401 Fifth Avenue, Seattle, WA 98104. See link for driving instructions.
<http://www.kingcounty.gov/procurement>, go to Contact Us menu and access Find Us web page.

Questions: Proposers will be required to submit any questions in writing prior to the close of business Wednesday, January 12, 2016 in order for staff to prepare any response required to be answered by Addendum. Questions are best received and most quickly responded to when sent via e-mail directly to the Buyers listed on page one of this RFP. **When doing so, please make sure that both buyers are copied on your email(s).**

SECTION I - GENERAL INFORMATION

- A. King County is an Equal Opportunity Employer and does not discriminate against individuals or firms because of their race, color, creed, marital status, religion, age, sex, national origin, sexual orientation, or the presence of any mental, physical or sensory handicap in an otherwise qualified handicapped person.
- B. All submitted proposals and evaluation materials become public information and may be reviewed by appointment by anyone requesting to do so at the conclusion of the evaluation, negotiation, and award process. This process is concluded when a signed contract is completed between King County and the selected Consultant. Please note that if an interested party requests copies of submitted documents or evaluation materials, a standard King County copying charge per page must be received prior to processing the copies. King County will not make available photocopies of pre-printed brochures, catalogs, tear sheets or audio-visual materials that are submitted as support documents with a proposal. Those materials will be available for review at King County Procurement.
- C. No other distribution of proposals will be made by the Proposers prior to any public disclosure regarding the RFP, the proposal or any subsequent awards without written approval by King County. For this RFP all proposals received by King County shall remain valid for ninety (90) days from the date of proposal. All proposals received in response to this RFP will be retained.
- D. Proposals shall be prepared simply and economically, providing a straightforward and concise but complete and detailed description of the Proposer's abilities to meet the requirements of this RFP. Fancy bindings, colored displays and promotional materials are not desired. Emphasis shall be on completeness of content.
- E. King County reserves the right to reject any or all proposals that are deemed not responsive to its needs.
- F. In the event it becomes necessary to revise any part of this RFP, addenda shall be created and posted at the King County Procurement web site. Addenda will also be conveyed to those

potential Proposers providing an accurate e-mail address. If desired, a hard copy of any addenda may be provided upon request.

- G. King County is not liable for any cost incurred by the Proposer prior to issuing the contract.
- H. A contract may be negotiated with the proposer whose proposal would be most advantageous to King County in the opinion of the King County Department of Executive Services all factors considered.
- I. It is proposed that if a selection is made as a result of this RFP, a contract with a fixed price/prices will be negotiated. Negotiations may be undertaken with the Proposer who is considered to be the most suitable for the work. This RFP is primarily designed to identify the most qualified firm. Price and schedule will be negotiated with the "first choice" Proposer; negotiations may be instituted with the second choice and subsequent Proposer until the project is canceled or an acceptable contract is executed.
- J. As applicable, King County bids and RFPs shall be available for use by all King County Departments, Divisions and Agencies. If orders will be placed by the County's Transit Division, the Contractor will be required to sign and comply with the Federal Transit Administration's (FTA)'s required documentation. This RFP may also be used, as appropriate and allowed, by other governmental agencies and political sub-divisions within the State of Washington.

Should another public agency utilize this RFP and resulting contract, it may be subject to an Administrative Fee (Fee). The Fee (Fee) of 1% (.01), when used by political subdivisions outside of King County's Departments, Divisions, or Agencies. The Fee shall be based on total sales made to each governmental entity, less sales/use tax, freight and any credit(s), (if applicable), in accordance to contract terms and conditions. The Fee shall be paid by the contractor, payable and remitted to King County Procurement and Contract Services Section on July 31st and January 31st of each year and cover sales for the first and second half of the calendar year respectively. Fees submitted shall reference its respective contract number and include a sales report for the payment period showing the total sales to each governmental entity, excluding King County. The contractor shall not invoice the Fee to any contract user as an item on a sales invoice or by any other means.

- K. The contents of the proposal of the selected Proposer shall become contractual obligations if a contract ensues. Failure of the Proposer to accept these obligations may result in cancellation of their selection.
- L. A contract between the Consultant and King County shall include all documents mutually entered into specifically including the contract instrument, the original RFP as issued by King County, and the response to the RFP. The contract must include, and be consistent with, the specifications and provisions stated in the RFP.
- M. News releases pertaining to this RFP, the services, or the project to which it relates, shall not be made without prior approval by, and then only in coordination with, the King County Department of Executive Services.
- N. King County Code 2.93.40 prohibits the acceptance of any proposal after the time and date specified on the Request for Qualifications. There shall be no exceptions to this requirement.
- O. King County agencies' staff are prohibited from speaking with potential Proposers about the project during the solicitation. **Please direct all questions to the Buyers listed on page one of this RFP.**

NOTE: Documents and other information are available in alternate formats for individuals with disabilities upon advance request by calling the Procurement Receptionist at 206-263-9400 or TTY711.

P. Protest Procedure - King County has a process in place for receiving protests based upon either proposals or contract awards. If you would like to receive or review a copy, please contact the Buyer named on the front page of this document or call Procurement Services at 206-263-9400.

Q. Term Service Requirement

If a contract is awarded based on this RFP, it may contain the following provision:

Contract Extension

The initial contract period will be for five (5) years from the start date of the contract. The term of the contract may be extended for five (5) additional years in one or two year increments for a total contract duration of ten (10) years, in accordance with the County's best interest and at the sole option of the County. Prices shall remain firm for the duration of the contract period. Reasonable price changes based on market conditions and price/cost analysis may be requested, if such escalations are based on changes in the U.S. Department of Labor, Bureau of Labor Statistics Consumer Price Index for All Urban Consumers ("CPI-U") for the Seattle-Tacoma-Bremerton Statistical Metropolitan Area for the preceding calendar year. You may obtain information about the CPI-U in general and the Seattle area in particular by visiting the United States Bureau of Labor Statistics web site at <http://www.bls.gov/cpi/>. In the event the CPI-U (or a successor or substitute index) is no longer published, a reliable government or other non-partisan index of inflation selected by the County shall be used to calculate any adjusted amounts. Requests for any such changes are to be made in writing to the Department of Executive Services and approved by the County Executive or his/her designee. Any agreed-to change shall take effect at the time of the contract extension and shall remain in effect throughout the extension period. The parties hereto recognize that such changes could be increases or decreases in the prices; both parties are entitled to benefit from such price changes.

R. Electronic Commerce and Correspondence. King County is committed to reducing costs and facilitating quicker communication to the community by using electronic means to convey information. As such, most Invitations to Bid, Requests for Proposal, and Request for Qualifications as well as related exhibits, appendices, and issued addenda can be found on the King County Internet Web Site, located at <http://www.kingcounty.gov/operations/procurement>. Current bidding opportunities and information are available by accessing the "**Solicitations**" tab in the left hand column.

King County Procurement Services features an **Online Vendor Registration (OVR)** program that permits vendors, consultants and contractors to register their business with the County. This OVR system allows interested parties to either directly register their firm by creating a unique User ID, or to visit the website as a guest. Information regarding bid documents will be available to all users; however, site visitors accessing the site as a guest will not be able to document their interest in a project or add their name to the document holder's list. They will receive no automatic notification of issued addenda. As such, the County encourages full registration in order to directly communicate with document holders regarding any issued addenda or other important information concerning the solicitation.

After proposals have been opened in public, the County will post a listing of the businesses submitting proposals, and any final award determination made.

Full information on vendor registration is available at the website.

If you are viewing a paper version of this RFP, you may download this document at <http://www.kingcounty.gov/operations/procurement>. Navigate to the "Solicitation" web page. There you can view the web pages either as a guest or by logging-in as a registered vendor. Search for 1356-15 to access documents specifically for this solicitation and follow the resulting link to navigate to the "Solicitation Details" web page.

- S. Unless otherwise requested, letters and other transmittals pertaining to this RFP will be issued to the e-mail address noted in our files, and after proposal, noted on the first page of this document. If other personnel should be contacted via e-mail in the evaluation of this proposal, or to be notified of evaluation results, please complete the information in the table below.

Contact Name	Title	Phone	E-mail address

- T. Washington State Public Records Act (RCW 42.56) requires public agencies in Washington to promptly make public records available for inspection and copying unless they fall within the specified exemptions contained in the Act, or are otherwise privileged.
- U. Proposals submitted under this RFP shall be considered public documents and with limited exceptions proposals that are recommended for contract award will be available for inspection and copying by the public.

If a Proposer considers any portion of his/her proposal to be protected under the law, the Proposer shall clearly identify on the page(s) affected such words as "CONFIDENTIAL," "PROPRIETARY" or "BUSINESS SECRET." The Proposer shall also use the descriptions above in the following table to identify the effected page number(s) and location(s) of any material to be considered as confidential (attach additional sheets as necessary). If a request is made for disclosure of such portion, the County will review the material in an attempt to determine whether it may be eligible for exemption from disclosure under the law. If the material is not exempt from public disclosure law, or if the County is unable to make a determination of such an exemption, the County will notify the Proposer of the request and allow the Proposer ten (10) days to take whatever action it deems necessary to protect its interests. If the Proposer fails or neglects to take such action within said period, the County will release the portion of the Proposal deemed subject to disclosure. By submitting a Proposal, the Proposer assents to the procedure outlined in this paragraph and shall have no claim against the County on account of actions taken under such procedure.

Type of exemption	Beginning Page / Location	Ending Page / Location

- V. Proposers are urged to use recycled/recyclable products and both sides of paper for printed and photocopied materials, whenever practicable, in preparing responses to this RFP.
- W. During the solicitation process, King County strongly discourages the transmittal of Company information, brochures, and other promotional materials, other than address, contact and e-mail

information, prior to the due date of proposals. Any pre-packaged material received by a potential Proposer prior to the receipt of proposals shall not be reviewed by the County.

X. Bid Identification Label: Please see the Bid Identification Label on the last page of Section II.

SECTION II - PROJECT SPECIFICATIONS AND SCOPE OF WORK

PART A - Introduction

The purpose of this Request for Proposal (RFP) is to identify an actuarial consulting firm to complete the County's Governmental Accounting Standards Board (GASB) 45 actuarial valuation biennially and complete off-year restatement/adjustment for all retiree medical plans.

The initial term of this project shall be five years, commencing on January 1, 2016 and ending on December 31, 2020. The County shall also retain a right to renew this contract for an additional 5 years, beginning in 2021.

PART B - Scope of Work

Complete full GASB 45 actuarial valuation biennially and complete off-year restatement/adjustment for all retiree medical plans. King County's retiree medical plans include sixteen retiree medical plan designs, including all LEOFF 1, LEOFF 2 and non-sheriffs plans with three tiers (bronze/silver/gold) across two plans (KingCare PPO and Group Health Cooperative HMO), one retiree vision plan, and two additional LEOFF 1 plans. King County's last full GASB 45 valuation occurred following the 2009 plan year and the next full valuation will occur following the 2011 plan year.

PART C – Consultant Proposal

The consultant's proposal shall include the following:

1. Responses to Questionnaire
2. Pricing Proposal
3. Attachment A - Consultant's Financial Statement
4. Attachment B – Redline Changes to King County Standard Contract (if applicable)
5. Attachment C – Redline Changes to King County Business Associate Agreement (if applicable)

PART D– Selection Criteria

The criteria upon which proposals will be evaluated include the following

1. Compliance with the requirements of the RFP.
2. The ability of proposed professional staff to serve King County in a competent and timely manner.
3. Demonstrated knowledge and experience working with similar clients
4. Proposer's past performance in terms of quality of service, compliance with contractual requirements and performance schedules.
5. Scope of services to be provided and administrative recommendations made.
6. Qualifications of the firm, including but not limited to its experience and personnel assigned to this project.
7. Price and timeline as indicated in the proposal in relationship to the services provided.

PART E– Scoring

Each proposal has a total possible score of 150 points, with the points assigned as follows:

Category	Points
Approach to Work, Actuarial Experience Evaluation of proposers' experience in conducting GASB 45 valuations and overall actuarial expertise of organization. Experience advising governmental agencies in benefits administration. Demonstrated approach to the development of a strong consultant/client partnership that is consistent with King County's needs.	50
Cost Cost of services.	40
Contract Evaluation of proposed deviations to the county's standard contract language and business associate agreement (Attachment A). Special consideration will be given to deviations from the county's standard indemnification and hold harmless provisions.	10
Technical Evaluation Total	100
Finalist Interviews (if necessary)	50
Total	150

PART F - Timeline

The expected GASB 45 valuation schedule for the initial term of this contract is as follows:

- 2016 – Full valuation
- 2017 – Off-year restatement/adjustment
- 2018 – Full valuation
- 2019 – Off-year restatement/adjustment
- 2020 – Full valuation

PART G - Questionnaire

General Company Information

#	Please provide the company's contact information. If the relationship will be managed by a regional office please provide the address of the regional office.	
1	Legal name of company	
2	Street address	
3	City	
4	State	
5	Zip Code	
6	Website	

Proposal Team Contact Information

#	Please provide the names and contact information of a primary and (if applicable) secondary contact that will be readily available to answer questions about the proposal.	
7	Primary contact	
8	Primary contact title	
9	Primary contact email	
10	Primary contact phone	
11	Secondary contact	
12	Secondary contact title	
13	Secondary contact email	
14	Secondary contact phone	

Company Background Information

#	Question	Response
15	Please indicate whether or not your organization is licensed to do business in the State of Washington.	
16	Explain the organization's ownership structure, listing all separate legal entities and their relationship within the structure.	
17	Describe all major shareholders/owners (10% or greater ownership), and list their percentage of total ownership, and the financial arrangements with these organizations.	
18	Describe any recent (within the last 36 months) or planned changes in your organization such as mergers, stock issues, acquisitions, spin-offs, etc.	

#	Question	Response
	Describe the expected and potential impact these changes may have on King County.	
19	Describe your organization's history providing the specific services outlined in this RFP.	
20	Specifically identify any of the services that you are proposing which will be performed by a third party subcontractor.	
21	For any services that you are proposing which will be handled by a third party subcontractor, please describe the nature of your relationship with the subcontractor, the duration of your relationship with the subcontractor and identify at least one other client for whom you have provided these services under the existing relationship with the proposed subcontractor.	
22	Identify and define the nature of any existing relationships your organization, its parent organizations or subsidiaries have with King County.	
23	Identify and define the nature of any previous (within the last 5 years) relationships your organization, its parent organizations or subsidiaries has had with King County.	
24	Please describe your organization's formal disaster recovery plans. Attachments outlining disaster recovery plans may be attached to your proposal.	
25	Please describe any involvement in a lawsuit within the last 5 years and its disposition. Specifically identify any lawsuits that are currently in litigation, and/or any class action lawsuits.	
26	Please describe any	

#	Question	Response	
	restrictions or pending reviews by state or federal authorities for non-compliance with state or federal regulations.		
27	Has your company or its predecessor ever filed a petition or been petitioned into bankruptcy, insolvency or reorganization? If yes, please provide details.		
28	Has your company ever made any assignment for the benefit of your creditors? If yes, please provide details.		
29	What is the physical address of the staff/team that will be assigned to the County? If members of the team that will be assigned to King County are not all located in one physical location, list the other locations and specify which services will be performed by team members by location.		
30	Briefly describe your firm's resources and capabilities in benefits consulting, including locations, size and staff.		
		Rating	Date
31	Please provide your most recent financial rating and the date of the rating from A.M. Best Company, Inc.		
32	Please provide your most recent financial rating and the date of the rating from Fitch, Inc.		
33	Please provide your most recent financial rating and the date of the rating from Moody's Investors Service, Inc.		
34	Please provide your most recent financial rating and the date of the rating from Standard & Poor's Rating Services.		

#	Question	Response
35	Please provide any other relevant credit ratings and the date of the rating from alternative SEC registered, Nationally Recognized Statistical Rating Organizations.	
36	Please provide a copy of your most recent audited financial statements for the last three years (2012, 2013, and 2014) as Attachment A to your proposal.	

Privacy and Security

#	Statement	Response	Exception
37	Confirm that your organization is in compliance with all current HIPAA regulations for privacy and security.	Select response...	
38	Confirm that your organization is willing to sign the County's Standard Contract, Exhibit A . By responding "Agree" to this question you are indicating that you will not require edits to the County's standard language. Edits to the County's standard contract must be submitted as a red-lined/track changes MS Word document with your RFP as Attachment B , if applicable. Proposals which include edited versions of the County's standard language should include "Agree with Exception" or "Disagree" responses to this question.	Select response...	
39	Confirm that your organization is willing to sign the County's Business Associate Agreement, Exhibit B . By responding "Agree" to this question you are indicating that you will not require edits to the County's standard language. Edits to the County's Business Associate Agreement must be submitted as a red-lined/track changes MS Word document with your RFP as Attachment C , if applicable. Proposals which include edited versions of the County's standard language should include "Agree with Exception" or "Disagree" responses to this question.	Select response...	
40	Confirm that your organization can	Select response...	

#	Statement	Response	Exception
	meet the King County policy for security and privacy outlined in Exhibit C , the King County Employee and Third Party Policy for Information Technology Security and Privacy Policy		
41	Confirm that your organization can meet the King County policy for security and privacy outlined in Exhibit D , The King County Acknowledgement of IT Security Responsibilities and Confidentiality Guidelines.	Select response...	
42	Confirm that your organization can meet the King County policy for security and privacy outlined in Exhibit E , the King County Password Management Policy.	Select response...	
43	Outline your capabilities and best practices for accepting and/or transmitting data from clients or third party administrators. Specifically identify the steps your organization takes to maintain the security of the data being transmitted.		

Account Management Team Information

#	Statement	Response
44	Please identify the team member who will be responsible for day to day account issues and communication with King County staff. Confirm that this person will respond to all account inquires within one business day. If this individual is unavailable to respond, please describe the process for escalating or delegating this responsibility to another team member.	
45	Describe the diversity of the account team proposed for King County. Specifically address diversity of experience, skill set, knowledge, training and ethnicity?	
46	Identify the ongoing, organized professional training programs you maintain for your staff? Please provide a brief description of the	

#	Statement	Response
	programs. Please also indicate for each program whether or not participation by your staff is required, either generally or as a condition of career advancement/development.	

#	Please provide names and relevant experience for the key account management team members that are being proposed for the King County account.	
47	Name – Primary Consultant	
48	Title	
49	Physical location	
50	Number of years and months in current role	
51	Number of years and months with company	
52	Primary responsibilities	
53	Education	
54	Experience, expertise, knowledge and training	
55	Number of other clients for which this team member has responsibilities (if different than the account management responsibilities of the proposed account team as a whole)	
56	Name – Secondary Consultant (if applicable)	
57	Title	
58	Physical location	
59	Number of years and months in current role	
60	Number of years and months with company	
61	Primary responsibilities	
62	Education	
63	Experience, expertise, knowledge and training	
64	Number of other clients for which this team member has responsibilities (if different than the account management responsibilities of the proposed account team as a whole)	
66	Name – Secondary Consultant (if applicable)	

#	Please provide names and relevant experience for the key account management team members that are being proposed for the King County account.	
67	Title	
68	Physical location	
69	Number of years and months in current role	
70	Number of years and months with company	
71	Primary responsibilities	
72	Education	
73	Experience, expertise, knowledge and training	
74	Number of other clients for which this team member has responsibilities (if different than the account management responsibilities of the proposed account team as a whole)	

References

#	Please provide references for three current clients that we may contact for reference. Please include one public sector client, one client of similar size to King County, and one client served by the proposed account management team for King County. Local references will be considered in the evaluation. (Minimum Requirement)	
75	Client name	
76	Client type	Select from list...
77	Services provided to client	
78	Length of relationship	
79	Number of members (total number of employees + dependents covered by the services provided by your company)	
80	Contact name	
81	Contact title	
82	Contact phone	
83	Contact email	
84	Notes	
85	Client name	
86	Client type	Select from list...
87	Services provided to client	
88	Length of relationship	
89	Number of members (total number of employees + dependents covered by the	

#	Please provide references for three current clients that we may contact for reference. Please include one public sector client, one client of similar size to King County, and one client served by the proposed account management team for King County. Local references will be considered in the evaluation. (Minimum Requirement)	
	services provided by your company)	
90	Contact name	
91	Contact title	
92	Contact phone	
93	Contact email	
94	Notes	
95	Client name	
96	Client type	Select from list...
97	Services provided to client	
98	Length of relationship	
99	Number of members (total number of employees + dependents covered by the services provided by your company)	
100	Contact name	
101	Contact title	
102	Contact phone	
103	Contact email	
104	Notes	

Approach to Scope of Work

#	Statement	Response
105	If hired, describe how you would work with the County to complete the GASB 45 valuations included in this RFP. Specifically outline the data required, timelines you would follow, and support you would require from the County during the process. Timelines should separately describe a typical GASB 45 report process in a full valuation year and an update year (if these processes differ).	
106	Describe how you define and measure a successful client relationship.	

Project Management

#	Statement	Response
107	Describe your organization's	

#	Statement	Response
	approach to project management. Provide specific details on project initiation, planning, execution, monitoring and evaluation.	
108	Describe your organization's peer review process. Outline both the technical and editorial elements of your peer review process and identify the work products which are peer reviewed.	

Technical Expertise

#	Statement	Response
109	Describe your organization's experience in conducting GASB 45 valuations.	
110	Describe the experience and expertise your firm offers in working with public sector employers.	

PART H - PRICING

Please submit a pricing proposal, identifying the resources who will conduct the GASB 45 valuations, their rates, and the projected costs associated with completing the work.

Each valuation or adjustment will be required to include a "not to exceed" cost cap based on the agreed upon scope and work plan. If consulting costs exceed the cap established the work will be performed without additional payment from the County unless the County has requested and agreed to changes to the project scope.

Pricing proposals submitted in this RFP will be utilized as the basis for the negotiation of the Contract with the selected proposer, however award of the Contract under this RFP does not guarantee acceptance of the proposed approach by the County. The complete scope of work, including specified approach and pricing will be determined through the negotiation process based on the relevant components of your pricing proposal.

PART I – EXHIBITS

1. **Exhibit A** - King County Contract
2. **Exhibit B** - King County Business Associate Agreement
3. **Exhibit C** – King County Employee & Third Party Policy for IT Security/Privacy
4. **Exhibit D** – King County IT Security/Confidentiality Acknowledgement
5. **Exhibit E** – King County Password Management Policy

PART J - INSURANCE

The selected Consultant shall furnish, at a minimum, Professional Liability, Errors & Omissions in the amount of \$3,000,000 combined single limit, \$3,000,000 aggregate. In addition, evidence of Workers' Compensation and Stop-Gap Employer's Liability for a limit of \$1,000,000 shall be provided.

Such policy/policies shall endorse King County, and its appointed and elected officials, officers, agents and employees as additional insureds.

King County reserves the right to approve deductible/self-insured retention levels and the acceptability of insurers.

PART K - REQUIRED FORMS

Unless otherwise noted, the following completed forms will be required from the selected contractor *prior to contract award*, but need not be included in their Proposal. These forms are available at the following URL: <http://www.kingcounty.gov/operations/procurement/Forms.aspx>

Complete and submit when requested.

Exhibit B to the Contract - Consultant Disclosure Form

PART L - PROPOSAL CHECKLIST

1. One (1) signed copy of entire RFP package (page 1-27 only.)
2. One (1) signed copy of any Addendum that was issued. (If it has signature box at bottom of first page, it must be returned.)
3. One (1) unbound copy of Proposal response marked "Original."
4. Three (3) copies of Proposal response.
5. Two (2) CD-ROM/flash drives, with either one (1) pdf version of the Proposal or one (1) Microsoft Word version of the Proposals or both. If you have samples or attachments to your Proposal, please include them on CD-ROM / flash drives also. (Please label your CD / flash drives with company's name)
6. Complete the Bid Identification Label below (or reasonable facsimile) and attach it to a prominent place on the exterior of the submission envelope, box, etc.

Exhibit F – Proposal

REQUEST FOR PROPOSALS



Department of Executive Services
Finance and Business Operations Division
Procurement and Payables Section
206-263-9400 TTY Relay: 711

ADVERTISED DATE: DECEMBER 29, 2015

Request for Proposal Title: GASB 45 Actuarial Services
Requesting Dept./Div. King County Department of Executive Services – Human Resources
RFP Number: 1356-15-LSM
Due Date: January 21, 2016 - 2:00 p.m.
Buyer: Linda McKinly, linda.mckinly@kingcounty.gov, 206- 263-9701
Alternate Buyer: Victoria Nakamichi, vicki.nakamichi@kingcounty.gov, 206- 263-9299

Pre-Proposal Conference:

A conference to discuss questions related to this RFP will be held at 2:00 p.m. on Wednesday, January 6, 2016, in conference room 233 on the 2nd Floor of the Chinook Building, 401 Fifth Avenue, Seattle, WA 98104.

Sealed proposals are hereby solicited and will only be received by:
King County Procurement Services Section
Chinook Building, 3rd Floor
401 Fifth Avenue
Seattle, WA 98104
Office Hours: 8:00 a.m. – 5:00 p.m.
Monday - Friday

PROPOSERS MUST COMPLETE AND SIGN THE FORM BELOW (TYPE OR PRINT)

Company Name		
Healthcare Actuaries		
Address		City/State /Postal Code
16519 107 th Place NE		Bothell, WA 98011
Signature	Authorized Representative/Title (Print name and title)	
	Roger Burton, President	
Email	Phone	Fax
rburton@hcact.com	(425) 939-7444	(425) 939-0089
Office Use Only: NUM 3 CD-ROM 2 FED Y_TERM/YT Y/5- 5		

Upon request, this Request for Proposals will be provided in alternative formats such as Braille, large print, audiocassette or computer disk for individuals with disabilities.

Sealed proposals are hereby solicited and will be received only at the office of the King County Procurement Services Section at 401 Fifth Avenue, 3rd Floor, Seattle, Washington, 98104, no later than 2:00 p.m. on the date noted above regarding the GASB Actuarial Services for the King County Department of Executive Services. These services shall be provided to King County in accordance with the following and the attached instructions, requirements, and specifications.

Proposal: King County requires the proposer to sign and return this entire Request for Proposal (RFP) document. The proposer shall provide one unbound original and three (3) copies of the proposal response, data or attachments offered, for four (4) items total. The original in both cases shall be noted or stamped "Original". In addition, provide two (2) CD-ROM or flash drives, with either one (1) pdf version of the proposal, one (1) Microsoft Word version of the proposal, or both.

Pre-Proposal Conference: A conference to discuss questions related to this RFP will be held at 2:00 p.m. on Wednesday, January 6, 2016, in Conference Room 233, Second Floor of The Chinook Building, 401 Fifth Avenue, Seattle, WA 98104. See link for driving instructions. <http://www.kingcounty.gov/procurement>, go to Contact Us menu and access Find Us web page.

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- A. King County is an Equal Opportunity Employer and does not discriminate against individuals or firms because of their race, color, creed, marital status, religion, age, sex, national origin, sexual orientation, or the presence of any mental, physical or sensory handicap in an otherwise qualified handicapped person.
- B. All submitted proposals and evaluation materials become public information and may be reviewed by appointment by anyone requesting to do so at the conclusion of the evaluation, negotiation, and award process. This process is concluded when a signed contract is completed between King County and the selected Consultant. Please note that if an interested party requests copies of submitted documents or evaluation materials, a standard King County copying charge per page must be received prior to processing the copies. King County will not make available photocopies of pre-printed brochures, catalogs, tear sheets or audio-visual materials that are submitted as support documents with a proposal. Those materials will be available for review at King County Procurement.
- C. No other distribution of proposals will be made by the Proposers prior to any public disclosure regarding the RFP, the proposal or any subsequent awards without written approval by King County. For this RFP all proposals received by King County shall remain valid for ninety (90) days from the date of proposal. All proposals received in response to this RFP will be retained.
- D. Proposals shall be prepared simply and economically, providing a straightforward and concise but complete and detailed description of the Proposer's abilities to meet the requirements of this RFP. Fancy bindings, colored displays and promotional materials are not desired. Emphasis shall be on completeness of content.
- E. King County reserves the right to reject any or all proposals that are deemed not responsive to its needs.
- F. In the event it becomes necessary to revise any part of this RFP, addenda shall be created and posted at the King County Procurement web site. Addenda will also be conveyed to those

potential Proposers providing an accurate e-mail address. If desired, a hard copy of any addenda may be provided upon request.

- G. King County is not liable for any cost incurred by the Proposer prior to issuing the contract.
- H. A contract may be negotiated with the proposer whose proposal would be most advantageous to King County in the opinion of the King County Department of Executive Services all factors considered.
- I. It is proposed that if a selection is made as a result of this RFP, a contract with a fixed price/prices will be negotiated. Negotiations may be undertaken with the Proposer who is considered to be the most suitable for the work. This RFP is primarily designed to identify the most qualified firm. Price and schedule will be negotiated with the "first choice" Proposer; negotiations may be instituted with the second choice and subsequent Proposer until the project is canceled or an acceptable contract is executed.
- J. As applicable, King County bids and RFPs shall be available for use by all King County Departments, Divisions and Agencies. If orders will be placed by the County's Transit Division, the Contractor will be required to sign and comply with the Federal Transit Administration's (FTA)'s required documentation. This RFP may also be used, as appropriate and allowed, by other governmental agencies and political sub-divisions within the State of Washington.
- Should another public agency utilize this RFP and resulting contract, it may be subject to an Administrative Fee (Fee). The Fee (Fee) of 1% (.01), when used by political subdivisions outside of King County's Departments, Divisions, or Agencies. The Fee shall be based on total sales made to each governmental entity, less sales/use tax, freight and any credit(s), (if applicable), in accordance to contract terms and conditions. The Fee shall be paid by the contractor, payable and remitted to King County Procurement and Contract Services Section on July 31st and January 31st of each year and cover sales for the first and second half of the calendar year respectively. Fees submitted shall reference its respective contract number and include a sales report for the payment period showing the total sales to each governmental entity, excluding King County. The contractor shall not invoice the Fee to any contract user as an item on a sales invoice or by any other means.
- K. The contents of the proposal of the selected Proposer shall become contractual obligations if a contract ensues. Failure of the Proposer to accept these obligations may result in cancellation of their selection.
- L. A contract between the Consultant and King County shall include all documents mutually entered into specifically including the contract instrument, the original RFP as issued by King County, and the response to the RFP. The contract must include, and be consistent with, the specifications and provisions stated in the RFP.
- M. News releases pertaining to this RFP, the services, or the project to which it relates, shall not be made without prior approval by, and then only in coordination with, the King County Department of Executive Services.
- N. King County Code 2.93.40 prohibits the acceptance of any proposal after the time and date specified on the Request for Qualifications. There shall be no exceptions to this requirement.
- O. King County agencies' staff are prohibited from speaking with potential Proposers about the project during the solicitation. **Please direct all questions to the Buyers listed on page one of this RFP.**

NOTE: Documents and other information are available in alternate formats for individuals with disabilities upon advance request by calling the Procurement Receptionist at 206-263-9400 or TTY711.

P. Protest Procedure - King County has a process in place for receiving protests based upon either proposals or contract awards. If you would like to receive or review a copy, please contact the Buyer named on the front page of this document or call Procurement Services at 206-263-9400.

Q. Term Service Requirement

If a contract is awarded based on this RFP, it may contain the following provision:

Contract Extension

The initial contract period will be for five (5) years from the start date of the contract. The term of the contract may be extended for five (5) additional years in one or two year increments for a total contract duration of ten (10) years, in accordance with the County's best interest and at the sole option of the County. Prices shall remain firm for the duration of the contract period. Reasonable price changes based on market conditions and price/cost analysis may be requested, if such escalations are based on changes in the U.S. Department of Labor, Bureau of Labor Statistics Consumer Price Index for All Urban Consumers ("CPI-U") for the Seattle-Tacoma-Bremerton Statistical Metropolitan Area for the preceding calendar year. You may obtain information about the CPI-U in general and the Seattle area in particular by visiting the United States Bureau of Labor Statistics web site at <http://www.bls.gov/cpi/>. In the event the CPI-U (or a successor or substitute index) is no longer published, a reliable government or other non-partisan index of inflation selected by the County shall be used to calculate any adjusted amounts. Requests for any such changes are to be made in writing to the Department of Executive Services and approved by the County Executive or his/her designee. Any agreed-to change shall take effect at the time of the contract extension and shall remain in effect throughout the extension period. The parties hereto recognize that such changes could be increases or decreases in the prices; both parties are entitled to benefit from such price changes.

R. Electronic Commerce and Correspondence. King County is committed to reducing costs and facilitating quicker communication to the community by using electronic means to convey information. As such, most Invitations to Bid, Requests for Proposal, and Request for Qualifications as well as related exhibits, appendices, and issued addenda can be found on the King County Internet Web Site, located at <http://www.kingcounty.gov/operations/procurement>. Current bidding opportunities and information are available by accessing the "Solicitations" tab in the left hand column.

King County Procurement Services features an **Online Vendor Registration (OVR)** program that permits vendors, consultants and contractors to register their business with the County. This OVR system allows interested parties to either directly register their firm by creating a unique User ID, or to visit the website as a guest. Information regarding bid documents will be available to all users; however, site visitors accessing the site as a guest will not be able to document their interest in a project or add their name to the document holder's list. They will receive no automatic notification of issued addenda. As such, the County encourages full registration in order to directly communicate with document holders regarding any issued addenda or other important information concerning the solicitation.

After proposals have been opened in public, the County will post a listing of the businesses submitting proposals, and any final award determination made.

Full information on vendor registration is available at the website.

If you are viewing a paper version of this RFP, you may download this document at <http://www.kingcounty.gov/operations/procurement>. Navigate to the "Solicitation" web page. There you can view the web pages either as a guest or by logging-in as a registered vendor. Search for 1356-15 to access documents specifically for this solicitation and follow the resulting link to navigate to the "Solicitation Details" web page.

- S. Unless otherwise requested, letters and other transmittals pertaining to this RFP will be issued to the e-mail address noted in our files, and after proposal, noted on the first page of this document. If other personnel should be contacted via e-mail in the evaluation of this proposal, or to be notified of evaluation results, please complete the information in the table below.

Contact Name	Title	Phone	E-mail address
N/A			

- T. Washington State Public Records Act (RCW 42.56) requires public agencies in Washington to promptly make public records available for inspection and copying unless they fall within the specified exemptions contained in the Act, or are otherwise privileged.
- U. Proposals submitted under this RFP shall be considered public documents and with limited exceptions proposals that are recommended for contract award will be available for inspection and copying by the public.

If a Proposer considers any portion of his/her proposal to be protected under the law, the Proposer shall clearly identify on the page(s) affected such words as "CONFIDENTIAL," "PROPRIETARY" or "BUSINESS SECRET." The Proposer shall also use the descriptions above in the following table to identify the effected page number(s) and location(s) of any material to be considered as confidential (attach additional sheets as necessary). If a request is made for disclosure of such portion, the County will review the material in an attempt to determine whether it may be eligible for exemption from disclosure under the law. If the material is not exempt from public disclosure law, or if the County is unable to make a determination of such an exemption, the County will notify the Proposer of the request and allow the Proposer ten (10) days to take whatever action it deems necessary to protect its interests. If the Proposer fails or neglects to take such action within said period, the County will release the portion of the Proposal deemed subject to disclosure. By submitting a Proposal, the Proposer assents to the procedure outlined in this paragraph and shall have no claim against the County on account of actions taken under such procedure.

Type of exemption	Beginning Page / Location	Ending Page / Location
N/A		

- V. Proposers are urged to use recycled/recyclable products and both sides of paper for printed and photocopied materials, whenever practicable, in preparing responses to this RFP.
- W. During the solicitation process, King County strongly discourages the transmittal of Company information, brochures, and other promotional materials, other than address, contact and e-mail

information, prior to the due date of proposals. Any pre-packaged material received by a potential Proposer prior to the receipt of proposals shall not be reviewed by the County.

X. Bid Identification Label: Please see the Bid Identification Label on the last page of Section II.

ORIGINAL

SECTION II - PROJECT SPECIFICATIONS AND SCOPE OF WORK

PART A - Introduction

The purpose of this Request for Proposal (RFP) is to identify an actuarial consulting firm to complete the County's Governmental Accounting Standards Board (GASB) 45 actuarial valuation biennially and complete off-year restatement/adjustment for all retiree medical plans.

The initial term of this project shall be five years, commencing on January 1, 2016 and ending on December 31, 2020. The County shall also retain a right to renew this contract for an additional 5 years, beginning in 2021.

PART B - Scope of Work

Complete full GASB 45 actuarial valuation biennially and complete off-year restatement/adjustment for all retiree medical plans. King County's retiree medical plans include sixteen retiree medical plan designs, including all LEOFF 1, LEOFF 2 and non-sheriffs plans with three tiers (bronze/silver/gold) across two plans (KingCare PPO and Group Health Cooperative HMO), one retiree vision plan, and two additional LEOFF 1 plans. King County's last full GASB 45 valuation occurred following the 2009 plan year and the next full valuation will occur following the 2011 plan year.

PART C – Consultant Proposal

The consultant's proposal shall include the following:

1. Responses to Questionnaire
2. Pricing Proposal
3. Attachment A - Consultant's Financial Statement
4. Attachment B – Redline Changes to King County Standard Contract (if applicable)
5. Attachment C – Redline Changes to King County Business Associate Agreement (if applicable)

PART D– Selection Criteria

The criteria upon which proposals will be evaluated include the following.

1. Compliance with the requirements of the RFP.
2. The ability of proposed professional staff to serve King County in a competent and timely manner.
3. Demonstrated knowledge and experience working with similar clients.
4. Proposer's past performance in terms of quality of service, compliance with contractual requirements and performance schedules.
5. Scope of services to be provided and administrative recommendations made.
6. Qualifications of the firm, including but not limited to its experience and personnel assigned to this project.
7. Price and timeline as indicated in the proposal in relationship to the services provided.

PART E– Scoring

Each proposal has a total possible score of 150 points, with the points assigned as follows:

Category	Points
Approach to Work, Actuarial Experience Evaluation of proposers' experience in conducting GASB 45 valuations and overall actuarial expertise of organization. Experience advising governmental agencies in benefits administration. Demonstrated approach to the development of a strong consultant/client partnership that is consistent with King County's needs.	50
Cost Cost of services.	40
Contract Evaluation of proposed deviations to the county's standard contract language and business associate agreement (Attachment A). Special consideration will be given to deviations from the county's standard indemnification and hold harmless provisions.	10
Technical Evaluation Total	100
Finalist Interviews (if necessary)	50
Total	150

PART F - Timeline

The expected GASB 45 valuation schedule for the initial term of this contract is as follows:

- 2016 – Full valuation
- 2017 – Off-year restatement/adjustment
- 2018 – Full valuation
- 2019 – Off-year restatement/adjustment
- 2020 – Full valuation

PART G - Questionnaire

General Company Information

#	Please provide the company's contact information. If the relationship will be managed by a regional office please provide the address of the regional office.	
1	Legal name of company	Healthcare Actuaries
2	Street address	16519 107th Place NE
3	City	Bothell
4	State	WA
5	Zip Code	98011
6	Website	www.healthcareactuaries.com

Proposal Team Contact Information

#	Please provide the names and contact information of a primary and (if applicable) secondary contact that will be readily available to answer questions about the proposal.	
7	Primary contact	Roger Burton
8	Primary contact title	President
9	Primary contact email	rburton@hcact.com
10	Primary contact phone	(425) 939-7444
11	Secondary contact	
12	Secondary contact title	
13	Secondary contact email	
14	Secondary contact phone	

Company Background Information

#	Question	Response
15	Please indicate whether or not your organization is licensed to do business in the State of Washington.	Yes
16	Explain the organization's ownership structure, listing all separate legal entities and their relationship within the structure.	Roger Burton is the sole owner of Healthcare Actuaries.
17	Describe all major shareholders/owners (10% or greater ownership), and list their percentage of total ownership, and the financial arrangements with these organizations.	Roger Burton, 100% ownership.

#	Question	Response
18	Describe any recent (within the last 36 months) or planned changes in your organization such as mergers, stock issues, acquisitions, spin-offs, etc. Describe the expected and potential impact these changes may have on King County.	None
19	Describe your organization's history providing the specific services outlined in this RFP.	Healthcare Actuaries has over nine years of experience providing actuarial valuations for other post-employment benefits (OPEB). We have provided this service since the implementation of the Governmental Accounting Standards Board Statements 43 and 45 ("GASB 43" and "GASB 45"). We currently provide these services to numerous cities, counties (including King County), school districts, and hospitals. Our ever-growing client list for GASB pension and OPEB valuations attests to our success in providing OPEB valuations promptly, professionally, and for a reasonable price.
20	Specifically identify any of the services that you are proposing which will be performed by a third party subcontractor.	The preparation of the valuation will be performed by a subcontractor.
21	For any services that you are proposing which will be handled by a third party subcontractor, please describe the nature of your relationship with the subcontractor, the duration of your relationship with the subcontractor and identify at least one other client for whom you have provided these services under the existing relationship with the proposed subcontractor.	<p>The Healthcare Actuaries team includes Naomi Hudetz, ASA, MAAA and Nina Pileggi, ASA, MAAA.</p> <p>Naomi has been a subcontractor for Healthcare Actuaries since its inception with Roger Burton as owner in 2006. Naomi works on all Healthcare Actuaries' accounts. One specific client is King County. If the reference needs to be other than King County, another client is the City of Kent</p> <p>Nina has been a subcontractor with Healthcare Actuaries since 2009. One specific client is City of Richland.</p>
22	Identify and define the nature of any existing relationships your organization, its parent organizations or subsidiaries have with King County.	Healthcare Actuaries currently provides the GASB 45 reporting for King County.
23	Identify and define the nature of any previous (within the last 5 years) relationships your organization, its parent organizations or subsidiaries has had with King County.	Healthcare Actuaries currently and previously prepared the GASB 45 actuarial valuations. We also provided other actuarial services in the past; including renewal rating, benefit pricing, and setting claim reserves (IBNR).

#	Question	Response
24	Please describe your organization's formal disaster recovery plans. Attachments outlining disaster recovery plans may be attached to your proposal.	We utilize professional business cloud services to back up all of our work, as well as keeping local copies of the work. No documents will be lost in the event of a disaster at our place of business.
25	Please describe any involvement in a lawsuit within the last 5 years and its disposition. Specifically identify any lawsuits that are currently in litigation, and/or any class action lawsuits.	Healthcare Actuaries has not been involved in any lawsuits in the past 5 years.
26	Please describe any restrictions or pending reviews by state or federal authorities for non-compliance with state or federal regulations.	None.
27	Has your company or its predecessor ever filed a petition or been petitioned into bankruptcy, insolvency or reorganization? If yes, please provide details.	No.
28	Has your company ever made any assignment for the benefit of your creditors? If yes, please provide details.	No.
29	What is the physical address of the staff/team that will be assigned to the County? If members of the team that will be assigned to King County are not all located in one physical location, list the other locations and specify which services will be performed by team members by location.	<p>Roger Burton, Bothell. Mr. Burton will provide peer review, project management, and consulting to the County.</p> <p>Naomi Hudetz, White Salmon. Ms. Hudetz will prepare the GASB valuations.</p> <p>Nina Pileggi, Beaverton Oregon. Ms. Pileggi will provide peer review as needed.</p>
30	Briefly describe your firm's resources and capabilities in benefits consulting, including locations, size and staff.	Healthcare Actuaries is a team of three experienced actuaries. Mr. Burton, Ms. Hudetz, and Ms. Pileggi have been working together to provide health and retirement actuarial services for over six years (Mr. Burton and Ms. Hudetz for over nine years). See question 29 for locations of each team member.

#	Question	Response	
		Rating	Date
31	Please provide your most recent financial rating and the date of the rating from A.M. Best Company, Inc.	N/A	N/A
32	Please provide your most recent financial rating and the date of the rating from Fitch, Inc.	N/A	N/A
33	Please provide your most recent financial rating and the date of the rating from Moody's Investors Service, Inc.	N/A	N/A
34	Please provide your most recent financial rating and the date of the rating from Standard & Poor's Rating Services.	N/A	N/A
35	Please provide any other relevant credit ratings and the date of the rating from alternative SEC registered, Nationally Recognized Statistical Rating Organizations.	N/A	
36	Please provide a copy of your most recent audited financial statements for the last three years (2012, 2013, and 2014) as Attachment A to your proposal.		

Privacy and Security

#	Statement	Response	Exception
37	Confirm that your organization is in compliance with all current HIPAA regulations for privacy and security.	Agree	N/A

#	Statement	Response	Exception
38	<p>Confirm that your organization is willing to sign the County's Standard Contract, Exhibit A. By responding "Agree" to this question you are indicating that you will not require edits to the County's standard language. Edits to the County's standard contract must be submitted as a red-lined/track changes MS Word document with your RFP as Attachment B, if applicable. Proposals which include edited versions of the County's standard language should include "Agree with Exception" or "Disagree" responses to this question.</p>	Agree	N/A
39	<p>Confirm that your organization is willing to sign the County's Business Associate Agreement, Exhibit B. By responding "Agree" to this question you are indicating that you will not require edits to the County's standard language. Edits to the County's Business Associate Agreement must be submitted as a red-lined/track changes MS Word document with your RFP as Attachment C, if applicable. Proposals which include edited versions of the County's standard language should include "Agree with Exception" or "Disagree" responses to this question.</p>	Agree	N/A
40	<p>Confirm that your organization can meet the King County policy for security and privacy outlined in Exhibit C, the King County Employee and Third Party Policy for Information Technology Security and Privacy Policy</p>	Agree	N/A
41	<p>Confirm that your organization can meet the King County policy for security and privacy outlined in Exhibit D, The King County Acknowledgement of IT Security Responsibilities and Confidentiality Guidelines.</p>	Agree	N/A

#	Statement	Response	Exception
42	Confirm that your organization can meet the King County policy for security and privacy outlined in Exhibit E , the King County Password Management Policy.	Agree	N/A
43	Outline your capabilities and best practices for accepting and/or transmitting data from clients or third party administrators. Specifically identify the steps your organization takes to maintain the security of the data being transmitted.	We use a business file-sharing service that allows for the secure, easy transfer of files between our clients and our company. It is capable of handling any of the files needed for the GASB 45 valuations.	

Account Management Team Information

#	Statement	Response
44	Please identify the team member who will be responsible for day to day account issues and communication with King County staff. Confirm that this person will respond to all account inquires within one business day. If this individual is unavailable to respond, please describe the process for escalating or delegating this responsibility to another team member.	<p>Roger Burton will be responsible for day-to-day account management with King County.</p> <p>Roger will respond to all account inquires in one business day.</p> <p>If Roger Burton is unable to respond, Naomi Hudetz will be the delegated responder.</p>

#	Statement	Response
45	Describe the diversity of the account team proposed for King County. Specifically address diversity of experience, skill set, knowledge, training and ethnicity?	<p>Each team member started their actuarial experience in a different environment, bringing a diversity of knowledge and skills to Healthcare Actuaries.</p> <p>Healthcare Actuaries is a certified small business and part of King County's SCS program. We are subcontracting to two woman-owned businesses for this project.</p> <p>Roger Burton is a senior healthcare actuary with over twenty years' experience in the actuarial field, working for the GE Capital Corporation, Premera Blue Cross, and Mercer Human Resource Consulting, before taking ownership of Healthcare Actuaries.</p> <p>Naomi Hudetz began her actuarial career with Mercer Human Resource Consulting before moving to Healthcareactuaries.com, the predecessor to Healthcare Actuaries.</p> <p>Nina Pileggi began her actuarial career in 1987 at Milliman. She spent the first 20 years of her career in the retirement field, before joining Healthcare Actuaries.</p> <p>All three team members are Caucasian.</p>
46	Identify the ongoing, organized professional training programs you maintain for your staff? Please provide a brief description of the programs. Please also indicate for each program whether or not participation by your staff is required, either generally or as a condition of career advancement/development.	<p>All team members are credentialed actuaries with the Society of Actuaries (SOA). Additionally all are members of the American Academy of Actuaries (AAA).</p> <p>To maintain these credentials, both the SOA and the AAA require annual continuing education in ethics and actuarial knowledge. All team members comply with the SOA and AAA continuing education requirements.</p>

#	Please provide names and relevant experience for the key account management team members that are being proposed for the King County account.	
47	Name – Primary Consultant	Roger Burton
48	Title	President
49	Physical location	Bothell, Washington
50	Number of years and months in current role	9 years 3 months
51	Number of years and months with company	9 years 3 months

#	Please provide names and relevant experience for the key account management team members that are being proposed for the King County account.	
52	Primary responsibilities	Account Management, peer review, input into valuation preparation.
53	Education	Mr. Burton received his Bachelor of Science in Applied Mathematics from Yale University.
54	Experience, expertise, knowledge and training	Mr. Burton became a Member of the American Academy of Actuaries (MAAA) in 2001, a Fellow in the Society of Actuaries (FSA) in 2003, and a Fellow in the Conference of Consulting Actuaries (FCA) in 2005.
55	Number of other clients for which this team member has responsibilities (if different than the account management responsibilities of the proposed account team as a whole)	56.
56	Name – Secondary Consultant (if applicable)	Naomi Hudetz
57	Title	Consulting Actuary
58	Physical location	White Salmon, Washington
59	Number of years and months in current role	9 years 3 months
60	Number of years and months with company	9 years 3 months
61	Primary responsibilities	Preparation of actuarial valuations.
62	Education	Ms. Hudetz received her Bachelor of Science degree from Oregon State University.
63	Experience, expertise, knowledge and training	Ms. Hudetz is an Associate in the Society of Actuaries (ASA) and a Member of the American Academy of Actuaries (MAAA) in 2009
64	Number of other clients for which this team member has responsibilities (if different than the account management responsibilities of the proposed account team as a whole)	54.
65	Name – Secondary Consultant (if applicable)	Nina Pileggi
66	Title	Consulting Actuary
67	Physical location	Beaverton, Oregon
68	Number of years and months in current role	6 years, 9 months
69	Number of years and months with company	6 years, 5 months
70	Primary responsibilities	Preparing actuarial valuations, peer review

#	Please provide names and relevant experience for the key account management team members that are being proposed for the King County account.	
71	Education	Ms. Pileggi received her Bachelor of Science in Biology from Portland State University and pursued post-graduate baccalaureate studies in mathematics at the same institution before embarking on her actuarial career.
72	Experience, expertise, knowledge and training	She is an Associate in the Society of Actuaries (ASA) and a Member of the American Academy of Actuaries (MAAA).
73	Number of other clients for which this team member has responsibilities (if different than the account management responsibilities of the proposed account team as a whole)	3.

References

#	Please provide references for three current clients that we may contact for reference. Please include one public sector client, one client of similar size to King County, and one client served by the proposed account management team for King County. Local references will be considered in the evaluation. (Minimum Requirement)	
74	Client name	City of Kent
75	Client type	Public Sector Client
76	Services provided to client	GASB 45 Valuation
77	Length of relationship	10 years
78	Number of members (total number of employees + dependents covered by the services provided by your company)	1,761
79	Contact name	Becky Fowler
80	Contact title	Benefits Manager
81	Contact phone	(253) 856-5290
82	Contact email	bfowler@ci.kent.wa.us
83	Notes	
84	Client name	Scripps Health
85	Client type	Client of similar size
86	Services provided to client	Claim liability estimates
87	Length of relationship	9 years
88	Number of members (total number of employees + dependents covered by the services provided by your company)	23,462

#	Please provide references for three current clients that we may contact for reference. Please include one public sector client, one client of similar size to King County, and one client served by the proposed account management team for King County. Local references will be considered in the evaluation. (Minimum Requirement)	
89	Contact name	Mendy-Sue Drew
90	Contact title	Director of General Accounting
91	Contact phone	(858) 678-7275
92	Contact email	drew.mendy-sue@scrippshealth.org
93	Notes	
94	Client name	City of Bellevue
95	Client type	Client served by proposed account management team
96	Services provided to client	GASB 45
97	Length of relationship	6 years
98	Number of members (total number of employees + dependents covered by the services provided by your company)	5,000+
99	Contact name	Diane McPherson
100	Contact title	Accounting Manager
101	Contact phone	(425) 452-4060
102	Contact email	DMcPherson@bellevuewa.gov
103	Notes	

Approach to Scope of Work

#	Statement	Response																														
104	<p>If hired, describe how you would work with the County to complete the GASB 45 valuations included in this RFP. Specifically outline the data required, timelines you would follow, and support you would require from the County during the process. Timelines should separately describe a typical GASB 45 report process in a full valuation year and an update year (if these processes differ).</p>	<p>Healthcare Actuaries would work with the County to develop an acceptable timeline to meet all County deadlines. A typical timeline for a full valuation follows:</p> <table border="1" data-bbox="732 363 1409 1066"> <thead> <tr> <th>Task</th> <th>Responsible</th> <th>Day</th> </tr> </thead> <tbody> <tr> <td>Prepare information request</td> <td>Healthcare Actuaries</td> <td>1</td> </tr> <tr> <td>Respond to information request</td> <td>King County</td> <td>5</td> </tr> <tr> <td>Scrub data, load into valuation system, prepare questions of KC</td> <td>Healthcare Actuaries</td> <td>10</td> </tr> <tr> <td>Respond to questions</td> <td>King County</td> <td>13</td> </tr> <tr> <td>Prepare proposed actuarial assumptions</td> <td>Healthcare Actuaries</td> <td>16</td> </tr> <tr> <td>Approve actuarial assumptions</td> <td>King County</td> <td>18</td> </tr> <tr> <td>Run and check valuations, provide draft reports</td> <td>Healthcare Actuaries</td> <td>25</td> </tr> <tr> <td>Approve draft reports</td> <td>King County</td> <td>27</td> </tr> <tr> <td>Submit final reports</td> <td>Healthcare Actuaries</td> <td>29</td> </tr> </tbody> </table> <p>A timeline for an update year is about seven days shorter, due to saving significant time from not having to prepare the census.</p>	Task	Responsible	Day	Prepare information request	Healthcare Actuaries	1	Respond to information request	King County	5	Scrub data, load into valuation system, prepare questions of KC	Healthcare Actuaries	10	Respond to questions	King County	13	Prepare proposed actuarial assumptions	Healthcare Actuaries	16	Approve actuarial assumptions	King County	18	Run and check valuations, provide draft reports	Healthcare Actuaries	25	Approve draft reports	King County	27	Submit final reports	Healthcare Actuaries	29
Task	Responsible	Day																														
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Prepare proposed actuarial assumptions	Healthcare Actuaries	16																														
Approve actuarial assumptions	King County	18																														
Run and check valuations, provide draft reports	Healthcare Actuaries	25																														
Approve draft reports	King County	27																														
Submit final reports	Healthcare Actuaries	29																														
105	<p>Describe how you define and measure a successful client relationship.</p>	<p>A successful client relationship is one where we meet the client's needs for timely deliverables and project communication.</p> <p>One can measure this by meeting the client's deadlines with time to spare, deliverables that are accurate and complete, and open communication.</p>																														

Project Management

#	Statement	Response
106	Describe your organization's approach to project management. Provide specific details on project initiation, planning, execution, monitoring and evaluation.	<p>Our approach to project management is to meet the client's needs at every step of the project.</p> <p>Once hired, we will participate in a kickoff meeting or conference call to establish the appropriate contacts at King County with whom we will work. We will prepare a project plan for review and approval by King County. Mr. Burton will monitor progress in meeting the dates and deliverables in the project plan.</p> <p>We will evaluate and update the project plan, as necessary, with input from the County.</p>
107	Describe your organization's peer review process. Outline both the technical and editorial elements of your peer review process and identify the work products which are peer reviewed.	<p>All work products are peer-reviewed by qualified actuaries. Throughout the process of preparing the work products our actuaries discuss issues and questions with other team members.</p> <p>Our peer review process is as follows:</p> <ul style="list-style-type: none"> • Actuary assigned to producing work prepares initial report • Peer-review actuary checks data input, actuarial assumptions, computer software input. • Peer-review actuary reviews results for reasonableness • Changes to the work product are communicated with the producer to update and review. • Final report is reviewed again by peer reviewer prior to release.

Technical Expertise

#	Statement	Response
108	Describe your organization's experience in conducting GASB 45 valuations.	We have provided actuarial valuations for retirement benefits, including pension and other post-employment benefits (OPEB), since the implementation of the Governmental Accounting Standards Board Statements 43 and 45. We currently provide these services to numerous cities, counties, school districts, and hospitals. Our ever-growing client list for GASB pension and OPEB valuations attests to our success in providing OPEB valuations promptly and professionally.
109	Describe the experience and expertise your firm offers in working with public sector employers.	About 40% of our book of business is with public sector employers. We provide actuarial services to over twenty public sector clients with projects including GASB valuations, funding projections, benefit pricing, and reserving.

Attachment A – Three years of company financial statements

Financial statements include:

- Balance Sheet – 2012
- Profit & Loss – 2012
- Balance Sheet – 2013
- Profit & Loss – 2013
- Balance Sheet – 2014
- Profit & Loss – 2014

Note that the financial statements are not audited, as an audit is not cost-effective for a firm of our size. A qualified accountant reviews the company's books, however.

January 21, 2016

Healthcare Actuaries
Balance Sheet
As of December 31, 2012

Dec 31, 12

ASSETS	
Current Assets	
Checking/Savings	
KeyBank	8,175.17
Personal Loan	-0.01
Total Checking/Savings	8,175.16
Other Current Assets	
SEP IRA Contribution Return	110.00
Total Other Current Assets	110.00
Total Current Assets	8,285.16
Fixed Assets	
Accumulated Depreciation	-2,896.00
Furniture and Equipment	4,302.49
Total Fixed Assets	1,406.49
Other Assets	
Accumulated Amortization	-272,981.00
Goodwill	664,000.00
Total Other Assets	391,019.00
TOTAL ASSETS	400,710.65
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	466.39
Total Accounts Payable	466.39
Total Current Liabilities	466.39
Long Term Liabilities	
SBA Loan	257,561.20
Total Long Term Liabilities	257,561.20
Total Liabilities	258,027.59
Equity	
Capital Stock	1,000.00
Retained Earnings	204,290.39
Shareholder Distributions	-105,580.91
Net Income	42,973.58
Total Equity	142,683.06
TOTAL LIABILITIES & EQUITY	400,710.65

Healthcare Actuaries
Profit & Loss
January through December 2012

	Jan - Dec 12
Ordinary Income/Expense	
Income	
Consulting Income	440,945.00
Total Income	440,945.00
Expense	
Accountant Fees	500.00
Advertising and Promotion	3,533.25
Amortization	44,267.00
Automobile Expense	276.36
Bank Service Charges	106.00
Business Licenses and Permits	342.50
Computer and Internet Expenses	1,336.84
Continuing Education	135.95
Depreciation Expense	89.00
Dues and Subscriptions	2,260.00
Federal Unemployment Tax	434.00
Federal Withholding Tax	8,465.94
Health Savings Account	0.00
Insurance Expense	
Commercial Auto Insurance	2,622.00
General Liability Insurance	460.58
Professional Liability	6,616.08
Total Insurance Expense	9,698.66
IRA	29,087.50
Meals and Entertainment	95.83
Miscellaneous Expense	15.00
Office Rent	12,000.00
Office Supplies	151.26
Officer Compensation	
Officer Salary	116,350.00
Total Officer Compensation	116,350.00
Postage and Delivery	136.39
Printing and Reproduction	588.26
Software Leases	21,666.68
Subcontractor Fees	109,960.00
Surety Bond Premium	200.00
Telephone Expense	1,271.17
Travel Expense	40.00
Washington State B&O Tax	10,201.35
Total Expense	373,208.94
Net Ordinary Income	67,736.06
Other Income/Expense	
Other Expense	
Interest Expense	24,762.48
Total Other Expense	24,762.48
Net Other Income	-24,762.48
Net Income	42,973.58

Healthcare Actuaries
Balance Sheet
As of December 31, 2013

Dec 31, 13

ASSETS	
Current Assets	
Checking/Savings	
KeyBank	27,834.00
Total Checking/Savings	27,834.00
Total Current Assets	27,834.00
Fixed Assets	
Accumulated Depreciation	-4,302.00
Furniture and Equipment	4,302.49
Total Fixed Assets	0.49
Other Assets	
Accumulated Amortization	-317,248.00
Goodwill	664,000.00
Total Other Assets	346,752.00
TOTAL ASSETS	374,586.49
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
SBA Loan (Short-Term)	76,623.00
Total Other Current Liabilities	76,623.00
Total Current Liabilities	76,623.00
Long Term Liabilities	
SBA Loan	124,009.66
Total Long Term Liabilities	124,009.66
Total Liabilities	200,632.66
Equity	
Capital Stock	1,000.00
Retained Earnings	140,788.25
Shareholder Distributions	-97,770.12
Net Income	129,935.70
Total Equity	173,953.83
TOTAL LIABILITIES & EQUITY	374,586.49

Healthcare Actuaries
Profit & Loss
January through December 2013

	Jan - Dec 13
Ordinary Income/Expense	
Income	
Consulting Income	581,916.00
Total Income	581,916.00
Expense	
Accountant Fees	500.00
Advertising and Promotion	4,208.01
Amortization	44,267.00
Automobile Expense	453.80
Bank Service Charges	0.46
Business Licenses and Permits	1,418.62
Computer and Internet Expenses	1,121.21
Continuing Education	150.00
Depreciation Expense	45.00
Dues and Subscriptions	41.67
Federal Withholding Tax	8,828.65
Health Savings Account	0.00
Insurance Expense	
Commercial Auto Insurance	1,070.00
General Liability Insurance	460.58
Professional Liability	7,291.98
Total Insurance Expense	8,822.56
IRA	30,999.36
Meals and Entertainment	204.59
Office Rent	12,000.00
Office Supplies	1,064.44
Officer Compensation	
Health Insurance Premiums	0.00
Officer Salary	124,024.61
Total Officer Compensation	124,024.61
Postage and Delivery	370.53
Printing and Reproduction	112.77
Professional Fees	1,635.00
Software Leases	25,333.30
Subcontractor Fees	148,655.00
Surety Bond Premium	200.00
Telephone Expense	1,325.48
Travel Expense	3,963.68
Washington State B&O Tax	12,131.95
Total Expense	431,877.69
Net Ordinary Income	150,038.31
Other Income/Expense	
Other Expense	
Interest Expense	20,102.61
Total Other Expense	20,102.61
Net Other Income	-20,102.61
Net Income	129,935.70

Healthcare Actuaries
Balance Sheet
As of December 31, 2014

Dec 31, 14

ASSETS	
Current Assets	
Checking/Savings	
KeyBank	38,695.84
Personal Loan	729.83
Total Checking/Savings	<u>39,425.67</u>
Total Current Assets	39,425.67
Fixed Assets	
Accumulated Depreciation	-4,302.00
Furniture and Equipment	4,302.49
Total Fixed Assets	0.49
Other Assets	
Accumulated Amortization	-361,515.00
Goodwill	664,000.00
Total Other Assets	<u>302,485.00</u>
TOTAL ASSETS	<u>341,911.16</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
SBA Loan (Short-Term)	76,623.00
Total Other Current Liabilities	76,623.00
Total Current Liabilities	76,623.00
Long Term Liabilities	
SBA Loan	62,059.36
Total Long Term Liabilities	62,059.36
Total Liabilities	138,682.36
Equity	
Capital Stock	1,000.00
Retained Earnings	172,953.83
Shareholder Distributions	-68,921.04
Net Income	98,196.01
Total Equity	<u>203,228.80</u>
TOTAL LIABILITIES & EQUITY	<u>341,911.16</u>

Healthcare Actuaries
Profit & Loss
January through December 2014

	Jan - Dec 14
Ordinary Income/Expense	
Income	
Consulting Income	558,148.75
Total Income	558,148.75
Expense	
Accountant Fees	500.00
Advertising and Promotion	50.00
Amortization	44,267.00
Automobile Expense	0.00
Bank Service Charges	217.00
Business Licenses and Permits	1,719.50
Computer and Internet Expenses	1,932.81
Continuing Education	1,687.95
Dues and Subscriptions	2,020.00
Federal Unemployment Tax	420.00
Federal Withholding Tax	6,930.29
Health Savings Account	0.00
Insurance Expense	
Commercial Auto Insurance	1,070.00
General Liability Insurance	460.58
Professional Liability	7,240.93
Total Insurance Expense	8,771.51
IRA	33,306.56
Office Rent	12,000.00
Office Supplies	34.54
Officer Compensation	
Health Insurance Premiums	8,946.39
Officer Salary	123,550.00
Total Officer Compensation	132,496.39
Parking & Tolls	160.60
Postage and Delivery	91.66
Printing and Reproduction	929.62
Software Leases	25,999.96
Subcontractor Fees	157,232.26
Surety Bond Premium	200.00
Telephone Expense	2,621.82
Travel Expense	877.48
Washington State B&O Tax	10,368.94
Total Expense	444,835.89
Net Ordinary Income	113,312.86
Other Income/Expense	
Other Expense	
Interest Expense	15,116.85
Total Other Expense	15,116.85
Net Other Income	-15,116.85
Net Income	<u>98,196.01</u>

Pricing Proposal — Fixed-Fee Bid	Resources and Billable Hours			Billable Rates		
	Lead Consulting Actuary	Consulting Actuary	Total Hours	Lead Consulting Actuary	Consulting Actuary	Total/Not-to-Exceed Cap
Healthcare Actuaries						
Consultant	Roger Burton	Naomi Hudetz / Nina Pileggi		\$300.00	\$200.00	

GASB OPEB Valuation Reports

12/31/2015 GASB 45 Valuation Report — Full Valuation	10	85	95	\$3,000	\$17,000	\$20,000
12/31/2016 GASB 45 Valuation Report — Projected Valuation (roll-forward)	4	24	28	\$1,200	\$4,800	\$6,000
12/31/2017 GASB 75 Valuation Report — Full Valuation	10	85	95	\$3,000	\$17,000	\$20,000
12/31/2018 GASB 75 Valuation Report — Projected Valuation (roll-forward)	4	24	28	\$1,200	\$4,800	\$6,000
12/31/2019 GASB 75 Valuation Report — Full Valuation	10	85	95	\$3,000	\$17,000	\$20,000
Sub-Total	38	303	341	\$11,400	\$60,600	\$72,000

Consultant	Roger Burton	Naomi Hudetz / Nina Pileggi		\$330.00	\$220.00	
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GASB OPEB Valuation Reports

12/31/2020 GASB 45 Valuation Report — Projected Valuation (roll-forward)	4	24	28	\$1,320	\$5,280	\$6,600
12/31/2021 GASB 75 Valuation Report — Full Valuation	10	85	95	\$3,300	\$18,700	\$22,000
12/31/2022 GASB 45 Valuation Report — Projected Valuation (roll-forward)	4	24	28	\$1,320	\$5,280	\$6,600
12/31/2023 GASB 75 Valuation Report — Full Valuation	10	85	95	\$3,300	\$18,700	\$22,000
12/31/2024 GASB 45 Valuation Report — Projected Valuation (roll-forward)	4	24	28	\$1,320	\$5,280	\$6,600
Sub-Total	32	242	274	\$10,560	\$53,240	\$63,800

Grand Total 70 545 615 \$21,960 \$113,840 \$135,800

Assumptions

This is a fixed-fee bid. The hours shown are estimates of the work necessary to complete each year's report. We will not charge less than, or more than, the total fees shown in the rightmost column.

¹If King County and Healthcare Actuaries extend the contract beyond the initial five-year period, we will guarantee the consultant rates shown below the "Potential Contract Extension" row for up to an additional five years beyond the initial five-year period. The rates will be the minimum of the rates shown above, or, the rates for the initial five-year period multiplied by the sum of one plus the change in the consumer price index urban consumers rate for the Seattle-Tacoma-Bremerton area for December 2020 over December 2019, raised to the fifth power, and then rounded to the nearest whole multiple of five dollars, in accordance with Section I, paragraph Q, of RFP 1356-15-LSM.