

THE STATE OF TEXAS §
 §
COUNTY OF HIDALGO §

**SERVICE CONTRACT
C-13-022-09-03**

THIS CONTRACT is made and entered into this **3rd** day of **September, 2013** by and between the **COUNTY OF HIDALGO, TEXAS** ("County"), and **Lewis & Ellis Inc.**, a Texas Corporation. ("Company").

WHEREAS, Company responded to advertised notices for bids for **"Actuarial Consulting Services for Part I-GASB 43 and/or 45 OPEB Valuation Analysis and Part II-Health Benefits Reserve Analysis"** (the "Services"); and

WHEREAS, Company submitted a bid to provide services in accordance with the specifications as bid, a copy of such specifications and bid being attached hereto as Exhibits "A" and "B" ("Vendor's Proposal") respectively, and incorporated herein for all purposes (the "RFP Packet"); and

WHEREAS, in recognition of and in consideration of Company's agreement to perform the Services in accordance with Specifications, the Commissioners Court of County awarded the proposal to Company.

NOW, THEREFORE, in mutual consideration of the foregoing and the further consideration of the following, the parties hereto agree as follows:

1. County and Company hereby agrees that this Contract is entered into in order to provide the Services to **Hidalgo County**. This Contract does not extend to any third parties any

duties or benefits conferred in any manner hereunder or otherwise.

2. Company hereby promises and agrees to render and provide, during the term of this Contract, and shall be obligated to render and provide the Services in accordance with the Specifications within **Hidalgo County** following a request for Services by the **Commissioner's Court** or their designated agent. Company agrees in performing the Services that it will use proper professional standards, comply with any and all appropriate laws and regulations in providing the Services, and devote such time as is necessary to safely and efficiently provide the Services.

3. This Contract shall be for a period beginning **January 1, 2014** and ending on **December 31, 2016** and may be extended at the sole discretion of County for an additional one (1) year period under the same rates terms and conditions and may further extend an additional sixty (60) days grace period at the end of the contract term due to any unforeseen delay in the procurement process, unless this Contract is terminated pursuant to the provisions herein, whichever occurs first.

4. As a condition of this Contract, Company shall hold and maintain throughout the term of this Contract all licenses and permits required, or which may be required by any authority during the term hereof to provide the Services.

5. All trucks or vehicles operated by the Company to perform the Services shall contain all equipment required by any authority to operate on streets and roads and all persons in the employ of Company who operate such trucks or vehicles shall have the required licenses, qualifications, skill and expertise to perform such Services and shall comply with all

laws, rules and regulations prescribed by any agency or authority having jurisdiction with regard to the operation of such trucks or vehicles in providing the Services.

6. As consideration for rendering the Service provided for in this Contract, the County agrees to pay Company the amounts specified in Exhibit "B" attached hereto payable against written invoice submitted by Company.

7. Company shall provide insurance in force on all its vehicles and all persons connected with providing services under this Contract naming County as an additional insured (with the coverages and in the amounts described on Exhibit "C" attached hereto and incorporated herein at this point for all purposes), and shall furnish to County certificates of such insurance coverage.

8. Company shall provide a sufficient number of trucks, vehicles, personnel and equipment available to safely and efficiently provide the Services.

9. Company shall indemnify and hold harmless County, its elected officials, employees and agents from any and all claims, damages, losses, and expenses including attorney's fees for the defense of any action against County arising out of, resulting from, or connected with the provision of the Service by Company under this Contract. Said indemnity shall cover any act or failure to act by the Company, its agents or employees.

10. This Contract shall not be assignable in whole or in part by either party without prior written consent of the other party.

11. It is expressly agreed that this Contract and the performance by the parties hereunder does not create any agency relationship or master-servant relationship, that County

has no supervision of the performance of the Services provided by Company, and that Company is an independent contractor under this Contract.

12. Any notice required or permitted to be given hereunder shall be in writing and shall be delivered personally or sent by certified mail, postage prepaid, as set forth below:

If to County: **The County of Hidalgo**
 Attn: County Judge
 302 W. University
 Edinburg, Texas 78539

If to Company **Lewis & Ellis Inc.**
 Attn: Bonnie Albritton, Vice President
 2929 N. Central Expressway, Suite 200
 Richardson, Texas 75085

13. In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision thereof and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

14. This Agreement may be terminated by either party without cause upon thirty (30) days written notice.

15. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective heirs, executors, administrators, legal representatives, successors, and assigns where permitted by this Agreement.

16. This Agreement shall be governed by and construed in accordance with the laws of the State of Texas and shall be performable in Hidalgo County.

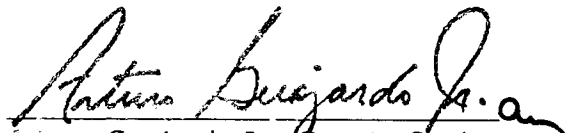
17. Commitment of Current Revenues Only. In the event that, during any term

hereof, the Commissioners Court does not appropriate sufficient funds to meet the obligations of Buyer under this Agreement, Buyer may terminate this Agreement upon sixty (60) days written notice to Seller. Buyer agrees, however, to use reasonable efforts to secure funds necessary for the continued performance of this Agreement. The parties intend this provision to be a continuing right to terminate this Agreement at the expiration of each budget period of Buyer pursuant to the provisions of Tex. Loc. Govt. Code Ann. § 271.903 (Vernon Supp. 1996).

18. Entire Agreement. This Agreement contains the entire agreement between the parties hereto, and each party acknowledges that neither has made (either directly or through any agent or representative) any representations or agreements in connection with this agreement not specifically set forth herein.

WITNESS our hands in duplicate originals this _____ day of _____, 2013.

ATTEST:


Arturo Guajardo Jr., County Clerk

COUNTY OF HIDALGO

By: Ramon Garcia
Ramon Garcia, County Judge

Approved by Commissioners' Court
on 9/3/13 RW

COMPANY: Lewis & Ellis, Inc.

By: Bonnie Albritton
Printed Name: Bonnie Albritton
Title: Vice President & Principal

APPROVED AS TO FORM:
Atlas, Hall & Rodriguez, L.L.P.


By: 

EXHIBIT "A"
SPECIFICATIONS

EXHIBIT "A"

SPECIFICATIONS/REQUIREMENTS

HIDALGO COUNTY
REQUEST FOR PROPOSALS

"Actuarial Consulting Services for
Part I: GASB 43 or 45 OPEB Valuation Analysis;
Part II: Health Benefits Reserve Analysis"

RFP No. 2013-022-05-01-CGA

(NIGP Code: 946-12-Actuarial Services and Retirement Planning)

EXHIBIT "A"
SPECIFICATIONS/REQUIREMENTS

Hidalgo County
Actuarial Consulting Services
for
Part I- GASB 43 and/or 45 OPEB Valuation Analysis;
Part II- Health Benefits Reserve Analysis
RFP: 2013-022-05-01-CGA

OVERVIEW:

Hidalgo County is requesting sealed proposals from interested and qualified firms for **Actuarial Consulting Services-Part I: GASB 43 and/or 45 OPEB Valuation Analysis** for Hidalgo County's Post-Employment Benefits Package (OPEB) for **Health Benefits** for "Retired Employees" And **Part II: Health Benefits Reserve Analysis** for and Funding Projection Study as specified herein. Sealed Proposals will be accepted until **9:30 A.M., Wednesday, May 1, 2013. ANY PROPOSALS RECEIVED AFTER THAT DATE AND TIME WILL NOT BE ACCEPTED AND WILL BE RETURNED UNOPENED**

Deliver Submittal to:
RFP No: 2013-022-05-01-CGA

US Postal Mail Address:

Martha L. Salazar, CPPB, Purchasing Agent
Hidalgo County Purchasing Department
Administration Building
2812 S. Business Hwy 281
Edinburg, Texas 78539

Physical Address:

Martha L. Salazar, CPPB, Purchasing Agent
Hidalgo County Purchasing Department
Administration Building
2802 S. Business Hwy. 281
Edinburg, Texas 78539

The Submittal Envelope Must Show the RFP Number, Name and Acceptance Date.

The following outlines the Request for Proposal:

SECTION I
GENERAL TERMS AND CONDITIONS

ADDITIONAL INFORMATION:

Hidalgo County is requesting that sealed proposals must be routed to Martha L. Salazar, CPPB, Purchasing Agent, at:

US Postal Mail address:

Martha L. Salazar, CPPB, Purchasing Agent
Hidalgo County Purchasing Department
Administration Building
2812 S. Business Hwy. 281
Edinburg, Texas 78539

Physical Address:

Martha L. Salazar, CPPB, Purchasing Agent
Hidalgo County Purchasing Department
Administration Building
2802 S. Business Hwy. 281
Edinburg, Texas 78539

ALL WRITTEN QUESTIONS WILL BE ACCEPTED VIA FACSIMILE (956)318-2629 OR VIA E-MAIL TO: cris.ayala@co.hidalgo.tx.us by NO LATER THAN, Friday, April 19, 2013 by 5:00 P.M. Responses will be sent to all applicants via e-mail by no later than, Tuesday, April 23, 2013 by 5:00 P.M. TELEPHONE INQUIRIES WILL NOT BE ACCEPTED.

DISCLOSURE OF CONFLICT OF INTEREST:

Effective January 1, 2006, Chapter 176 of the Texas Local Government Code requires that any vendor, person, consultant or contractor considering doing business with Hidalgo County ("the County") to disclose in the Conflict of Interest Questionnaire (the "CIQ") attached as **EXHIBIT D**, the vendor, person consultant or contractor's affiliation or business relationship that might cause a conflict of interest with the County. By law, the CIQ must be filed with the Hidalgo County Clerk's Office no later than the seventh business day after the date the person becomes aware of facts that require that statement to be filed. The disclosure requirement applies to a person or business who contract or seeks to contract with Hidalgo County for the sale or purchase of property, goods or service. Any purchase order or contract resulting from this process shall be considered null and void if the successful bidder fails to comply with Texas Local Government Code Chapter 176. Vendors, consultants, contractors and others who desire to conduct business with Hidalgo County are encouraged to refer to Texas Local Government Code Chapter 176 for the details of this law. An offense under Texas Local Government Code Chapter 176 is a Class C Misdemeanor.

Please submit complete CIQ forms to the Hidalgo County Clerk's Office located at 100 North Closser, Edinburg, Texas 78539-Hidalgo County Courthouse **COMPLETION AND SUBMISSION OF FORM CIQ IS THE SOLE RESPONSIBILITY OF THE PROSPECTIVE PARTICIPANT.**

PROPOSER'S AFFIDAVIT:

Prior Contract award, respondents to this RFP must submit a signed Proposer's Affidavit (attached herein in **Exhibit "E"**) certifying that the submission is: (1) not the result of Collusion as described in the Proposer's Affidavit; (2) that the Respondent does not have a Conflict of Interest as described in Proposer's Affidavit or that the Respondent has not and will not attempt to lobby directly or indirectly as described in the Proposer's Affidavit.

NON-DISCRIMINATION:

Submitters, during the performance of this contract, will not discriminate against any employee or applicant for employment because of race, religion, sex, national origin or disability except where religion, sex, national origin or disability is a bona fide occupational qualification reasonably necessary to the normal operation of the contractor.

ELECTRONIC TRANSMISSION OF BIDS:

Hidalgo County's Purchasing Department **WILL NOT** accept telegraphic or electronically transmitted submissions.

PROOF OF FINANCIAL AND BUSINESS CAPABILITY:

Submitters must, upon request, furnish satisfactory evidence of their ability to furnish products or services in accordance with the terms and conditions of these requirements. Hidalgo County will make the final determination as to the submitter's ability.

SUBMITTER DEFAULT:

Hidalgo County reserves the right, in case of submitter default, to procure the articles or services from other sources and hold the defaulting submitter responsible for any excess costs occasioned thereby.

RESTRICTIVE OR AMBIGUOUS REQUIREMENTS:

It is the responsibility of the submitter to review the Request for Proposal (RFP) packet and to notify the Purchasing Department if the requirements are formulated in a manner that would unnecessarily restrict competition. Any such protest or question regarding the requirements or bidding procedures must be received in the Purchasing Department not less than seventy-two (72) hours prior to the time set for the opening. These criteria also apply to requirements that are ambiguous.

PROPOSAL DELIVERY:

Hidalgo County requires submitters, when hand delivering RFP to make sure that it is stamped with time and date by the County Purchasing Staff.

SIGNING OF PROPOSAL:

In order to be considered all submittals **must** be signed. **Please sign the original in blue ink.**

WAIVING OF INFORMALITIES:

Hidalgo County reserves the right to waive minor informalities or technicalities when it is in the best interest of Hidalgo County.

SUBCONTRACTING:

The successful submitter may not subcontract the award without the written consent of the Commissioners' Court of Hidalgo County.

TERM OF CONTRACT:

The contract will commence on January 1, 2014 for a period of two (2) years with the county's option to renew for an additional one (1) year, at the same rates, terms and conditions. Hidalgo County reserves the right to continue this proposal for an additional sixty (60) day grace period at the end of the contract under the same rates, terms and conditions.

All costs and expenses associated with the preparation and submission for (bid, proposal and/or quotes) shall be the responsibility of the participant and no reimbursement for such charges or expenses shall be passed on onto Hidalgo County.

DAVIS BACON ACT:

All selected and awarded firms are required to include the Davis-Bacon Act when advertising and developing specifications. **(If applicable)**

PARCTICIPANTS ARE TO PROVIDE A FEE SCHEDULE WITH THIS SUBMITTAL:

The fee will be negotiated after the ranking by Commissioners' Court of the most qualified firm. Hidalgo County is hereby requesting the proposal fees on a multi-year per section basis (including renewal option at the County's sole discretion.

SECTION II

RFP's REQUIREMENTS

REQUEST FOR PROPOSALS

The required contents and limitations for the preparation of the RFP are described in this section. Failure to provide the requested information or adhere to any County limitations will result in disqualification of the submitted RFP.

RFP SUBMISSION:

A total of one (1) original and seven (7) copies of response shall be submitted to: Martha L. Salazar, Purchasing Agent, Hidalgo County Purchasing Department, 2812 So. Business Hwy 281 New Administration Building, Edinburg, Texas 78539 by **no later than 9:30 a.m. on Wednesday, May 1, 2013.**

CONTENTS:

The required contents for the RFP are presented below in the order they should be incorporated into the submitted document.

UNDERSTANDING OF THE PROJECT:

This section should demonstrate the submitter's understanding of the project needs, the work required, and

any local issues or concerns. This description should be concise, candid, and limited to 3 pages in length.

FIRM QUALIFICATIONS:

The County of Hidalgo is seeking to contract with a competent firm(s), registered and licensed if applicable for the services being requested in the RFP and/or do business in the State of Texas, that has experience in, but not limited to, as stated and reflected in the **“Scope of Services and Requirements”**.

PERSONNEL AND STAFFING:

The firm should provide an organizational chart for the project and a summary paragraph of the project work to be performed by each proposed staff member. Biographic summaries that highlight the experience relevant to the specific project responsibilities should be provided for all proposed personnel. There is a one (1) page limitation for each biographic summary provided.

Additionally, this section should include a description of the firm's project personnel and their most recent similar projects. For each project, a client contract name and phone number should be included for reference purposes. Additionally, the names of the personnel proposed for this project who participated in the listed projects should be provided. This project list is limited to 5 pages.

REQUIRED CERTIFICATIONS AND SUBMITTAL:

This section will contain any licenses and certifications as required by HIDALGO COUNTY, the STATE OF TEXAS, etc. **The Proposer(s) should add copies of their Professional Liability Insurance in the response.**

PROJECT OVERVIEW:

The County of Hidalgo is seeking this request for proposal from interested and qualified firms to assist in implementing Consulting Services for **Part I: GASB 43 and/or 45 OPEB Valuation Analysis** for Hidalgo County's Other Post-Employment Benefits Package (OPEB) for **Health Benefits** for “Retired Employees”. There are approximately 548 retired employees; only about 49 retired employees, of which are utilizing the County's health benefits with a blended premium rate payment plan and **Part II: To include services for the Health Benefits Reserve Analysis** for Funding Projection Study.

The County of Hidalgo is seeking this request for proposal from interested and qualified firm(s) to assist in implementing Consulting Services for **Part I: GASB 43 and/or 45 OPEB Valuation Analysis** and **Part II: Health Benefits Reserve Analysis**, any information required for the actuarial services will be provided on **“An As Needed Basis”**. The qualified firm(s) is one that can deliver the services requested in an efficient and effective manner while ensuring the highest standards of performance, integrity, customer service and fiscal accountability. The County of Hidalgo wishes to contract with a firm(s) that understands the importance of the tasks, the impact, and the necessary deadline for such implementation as required by the “Government Accounting Standards Board”. The successful firm(s) will demonstrate the ability to consistently provide these services to the County of Hidalgo and will be evaluated, in part, by the degree to which the firm(s) shows how it will achieve these benefits.

SCOPE OF SERVICES:

Hidalgo County is requesting proposals from experienced firm(s) to provide ongoing Consulting Services for the Actuarial Studies/Services regarding for **Part I: GASB 43 and/or 45 OPEB Valuation Analysis** and **Part II: Health Benefits Reserve Analysis**. (Refer to Exhibit “A-1”- **ADDITIONAL SPECIFICATIONS/REQUIREMENTS**)

Section III

SELECTION AND SCHEDULES

SELECTION PROCEDURES/EVALUATION SYSTEM:

The evaluation consists of a 100-point scoring system. However, after the 100-point evaluation, Hidalgo County Commissioner's Court may elect to narrow the participating firms and request a presentation from a representative from firms.

An Evaluation Committee selected/designated by Hidalgo County Commissioner's Court, Elected Official and/or User Department will review, score and evaluate the Request for Proposals (RFP's) received. After the RFP's have been reviewed, scored and evaluated, a grid will be presented to Commissioner's Court for the purpose of rating firms and awarding the proposal. The County Commissioner's Court will select and/or award the proposal.

Categories are further detailed in the Selection Criteria (Exhibit B) section of this RFP.

RATING AND EVALUATION PROPOSALS

Proposals will be evaluated and rated for merit, innovation and completeness, in response to each of the elements outlined in the Scope of Services including but not be limited to, the items listed below:

1.	Firm's Qualifications and Staffing of Project Team	10 Points
2.	Understanding Of Project/Similar Projects	40 Points
3.	Experience Of Project Team/Ability To Commit Resources	40 Points
4.	Cost Fees	<u>10 points</u>
	Total	100 points

NEGOTIATION PROCESS:

The number one ranked firm will be contacted to submit a letter of engagement/contract for negotiations. If negotiations prove unsuccessful, Commissioner's Court will terminate negotiations with the firm and will contact the next highest ranked firm to open negotiations. The County of Hidalgo reserves the right to reject any and all RFPs.

TERMINATION OF SERVICES:

Any contract awarded to a qualified firm will be in effect until (a) the contract expires or (b) performance of all services are completed, or (c) terminated by County with or without cause, with ninety (90) days written notice prior to cancellation.

EXHIBIT "A-1"
ADDITIONAL SPECIFICATIONS/REQUIREMENTS
Hidalgo County
Actuarial Consulting Services for
Part I: GASB 43 and/or 45 OPEB Valuation Analysis;
Part II: Health Benefits Reserve Analysis
RFP No.: 2013-022-05-01-CGA

PART I: GASB 43 AND/OR 45 OPEB VALUATION ANALYSIS

SCOPE OF SERVICES:

- Desired study completion date of: **02-28-2016** .
- Valuation Analysis will be for year ending: **12-31-2015** .
- Prepare an actuarial evaluation following GASB 43 and GASB 45 standards.
- The following must be included in the study as follows:
 - The actuarial present value of total projected benefits;
 - Actuarial accrued liability;
 - Actuarial value of assets;
 - The unfunded actuarial accrued liability;
 - Normal Cost;
 - Annual required contribution of the employer-as a level dollar amount and as a level percentage of covered payroll;
 - Net OPEB obligation (for employer disclosure under GASB statement 45 if necessary);
 - Prepare the necessary material for the Comprehensive Annual Financial Report to comply with GASB OPEB reporting and disclosure requirements;
 - Prepare the annual gain/loss analysis to determine reasons for changes in the unfunded actuarial accrued liability, whenever a prior actuarial valuation is available to support this;
 - Determine the implicit rate subsidy, if any, and the impact it would have on the OPEB liability;
 - Prepare an analysis to determine how establishing a trust or equivalent arrangement would affect the interest rate assumption. Timing considerations of establishing the trust should also be considered;

- Prepare a cash flow analysis (the “pay-as-you-go-cost”); **(optional)**
 - A projection of expected income and disbursements for the remainder of 2014 and 2015, based on the current benefits;
 - Recommended aggregate funding levels for 2015;
 - Provide a written report detailing the analysis and recommendations;
 - Recommended premiums by tier per plan;
- Prepare sensitivity analysis showing the impact of alternative assumptions on the employer’s contributions (healthcare trend rates and investment rate assumptions); **(optional)**
- If there is not a trust established, determine the difference in liability based upon the investment returns under a diversified portfolio versus a short-term fixed income portfolio;**(optional)**
- As appropriate, provide recommendations on managing the OPEB liability. This may include changes in plan design; **(optional)**
- As appropriate, review and update plan documents and design. Make recommendations as to formalizing informal plans; **(optional)**
- Analyze the *data* to *assess* any inconsistencies and make recommendations for enhancing *data* quality;
- Firm will be required to make a formal presentation of the “Actuarial Study” to Hidalgo County Commissioners Court;

COUNTY PROVIDED DATA:

- Summary of plan provisions
- Active employee/retiree information
- Retiree contribution schedule
- Employer contribution schedule
- Claims information
- Groups not covered by Medicare – if any
- Additional information as available or requested

PART II: HEALTH BENEFITS RESERVE ANALYSIS

Scope Of Services:

- Desired study completion date of: **02-28-2014**.
- Estimate the reserve analysis as of **12-31-2013**.
- Review Hidalgo County's (County) self funded medical plan to determine reserve balances.
 - Based on claims analysis, determine the Hidalgo County's (County) estimated range of reserve liability for the medical benefit plan.
 - Estimate the unpaid claim liability of Hidalgo County's (County) self funded medical plan for health claims that have been incurred but not paid as of **December 31, 2013**.
 - Prepare a written actuarial analysis of claim liability for the entire plan broken out by employee group and plan.
 - Prepare a forecast of the number of expected claims, estimate the value of expected payments, develop overall trend and insurance inflation factors, estimate the lag in reporting incurred claims and estimate the lag in payment of claims.
 - Provide spreadsheet of incurred claim liability.
 - Summarize the results of our claim reserve analysis showing monthly paid and incurred claims.
 - Summarize paid claims, estimated incurred claims, and recast reserves by month, including the resulting reserve liability as of **December 31, 2013**.
 - Provide analysis detailing the claims lag.
 - Provide analysis detailing the average liability per employee

COUNTY PROVIDED DATA:

- Claims lag reports
- Count of eligible employees, employees by tier (single, employee and spouse, etc.).
- List of stop recoveries
- Additional information as available or requested

INFORMATION ABOUT THE FIRM(S):

1. The firm should provide its name, address of the office which would provide the services requested, telephone number, fax, e-mail address and website, if applicable.
2. The firm should provide a general description of its business, including size, number of employees, number of credentialed actuaries, primary business, other business or services offered and review any past or contemplated changes in the ownership structure of the firm.
3. The supervising actuary who will be assigned to the engagement should be identified and their contact information provided.
4. Other actuaries and other personnel who will have key roles in the work should also be identified.
5. The firm should list the number and percent of consulting staff that have left each of the past five years.
6. Brief resumes should be furnished for the key professional staff who will be assigned to this engagement. Summary information should be provided covering the professional qualifications and experience of the supervising and support actuaries and other personnel who would perform the requested work.
7. The *firm* should provide a description of its experience in providing actuarial and consulting services for governmental entities/plans and a list of governmental entities/plans for which it has performed services similar to those identified under "Scope of Services". Describe the *firm's* experience with retiree healthcare and other post-employment benefit plans for other public entities. Recognizing the value of the firm experience with FASB OPEB valuations, *firm* should also describe their private sector OPEB valuation experience.
8. For the *firm* office that will be responsible for the work, the *firm* should provide a list of the most significant engagements performed in the last five years that are similar to the engagement described in this request for proposal/qualifications. The list of engagements can be both in the private or public sector but must be clearly labeled as such.
9. For the engagements listed above, indicate the scope of the work, date, supervising actuaries, and the name and telephone number of the principal client contact who would serve as a reference for the *firm*.
10. The *firm* should list any clients that have been lost in the last five years.
11. The *firm* should provide an affirmative statement that is independent of the governmental entity/plan and that it is unaware of any potential conflicts of interest if it were selected to perform the requested work.
12. The *firm* should describe any limits on liability that the firm requests from its clients due to negligence of its firm.
13. The *firm* should warrant that the *firm* maintains errors and omissions insurance that

provides a prudent amount of coverage for negligent acts or omissions and that its coverage is applicable to the work requested in this proposal.

14. The *firm* should include an example of a job arrangement letter or contract that the *firm* would require covering this engagement if it were successful in winning the engagement.
15. The response to the "Request for Proposal" should be signed by a representative of the *firm* with the acknowledgement that this individual is authorized to contractually bind the firm.
16. The *firm* should indicate if there are any pending legal actions against it.

PROCESS:

- Approach-State the overall approach of the valuation, including objectives, scope of work to be performed and the methodologies to be used.
- Describe how the firm will work with "Hidalgo County" to determine the proper actuarial cost method, actuarial asset valuation method, amortization method and key assumptions to the valuation based on relevant accounting and actuarial standards. Some key assumptions (not all of them applicable) to consider as part of this discussion are:
 - Turnover
 - Retirement Age
 - Disability retirement age
 - Mortality
 - Projected salary increase
 - Inflation rate
 - Healthcare cost trend data for appropriate region
 - Amortization timeframe
 - Investment return
 - Post retirement benefit changes
 - Actuarial assumptions associated with the method (projected unit credit, entry age normal, etc.)
- Provide an analysis of allowed actuarial methods and amortization methods with the pros and cons of each method and recommend the most appropriate or commonly used one or two methods for this type of study.
- Describe how the firm would assist in the interpretation of the plan and value the associated costs in situations where there is ambiguity related to the substantive plan.
- Timeline-The firm will identify the major tasks in the valuation engagement and the suggested timeline for completion.
- Date Requirements – The actuarial firm should list all data requirements, other than what has been identified in the RFP, that they require to complete the valuation and in what type of format that data must be provided.

- Support – Provide the support that is required of Hidalgo County' staff.
- Sample Report – Include in the Appendix of the firm's response a copy of a sample report.

COST AND TERMS OF AGREEMENT:

- Cost Proposal – The firm will provide the cost of the engagement detailing out the cost of the valuation and any optional consulting services included in the scope of services. The proposal should include estimated hours, hourly rates and expenses, as well as a total, not-to-exceed cost that should be clear and concise.
- Costs for the any of the services indicated as "**optional**" in the Scope of Services section of this document should be requested as separate from the cost of the valuation as these services can be expensive.
- Terms of Agreement - **The contract will commence on January 1, 2014 for a period of two (2) years;** with the county's option to renew for an additional one (1) year, at the same rates, terms and conditions.
- Hidalgo County reserves the right to continue this proposal/contract for an additional sixty (60) day Grace Period at the end of the contract under the same rates, terms and conditions.

PROPOSAL QUESTIONS

The purpose of this RFP is to demonstrate the qualifications, competence and capability of the proposer(s). The substance of the proposer(s) will carry more weigh than form or manner of presentation. Preparation of your response should be simple and economical, providing a straightforward, concise description of your ability to provide the services requested. The response should include the following, preferably in the order listed:

- What is the basis of compensation for your services (flat fee, time plus expense, etc.)?
- What is your estimate for the total cost of the actuarial study? If your basis for compensation is "time plus expenses", please detail all anticipated expenses (clerical, travel, etc.). The cost for any optional work should be identified separately and presented for approval before any optional work is to proceed.
- To what degree or percent of accuracy will you guarantee your total cost estimate?
- Will you be able to meet the timeline? If not, provide your estimated date for report completion. Are any additional fees being charged in order to meet this timeline?
- A brief history and description of the firm, including a statement of the firm's qualifications to perform the requested services.
- List at least five Texas public entities, preferably County Entities, that you have performed a GASB 43 and 45 actuarial studies for in the last five year. Include the name of the entity, a contact person and phone number, as well as a description of the work performed.

- Identify the key personnel within your firm who will be responsible for the completion of this assignment. Include the professional qualifications and experience of these key individuals; specifically their experience with Texas Governmental Entities and GASB 43 and 45 liability calculations.
- List any exceptions you have with the proposed RFP and Scope of Work as well as a description of any proposed work that differs from that described.
- List all data and information that will be required to be assembled by Hidalgo County in order to complete the actuarial study.
- Define the most important qualification your firm can bring to Hidalgo County.

The undersigned hereby certified that he/she understands the specifications/requirements and has read the document in it's entirety, affirms the list of qualifications is true and correct, and is duly authorized to execute this response. The following information must be filled out in it's entirety for your proposal to be considered.

Company's Name: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Phone No.: _____ Fax No.: _____

Signature of Authorized Representative: _____

Printed Name: _____ Title: _____

Email Address: _____ Date: _____

II. Process

Part I – GASB 43 and/or 45 OPEB Valuation Analysis

Under current accounting standards, public entities that provide OPEB (“other postemployment benefits”) typically recognize the expense for such benefits as they are paid (“Pay-as-you-go”). GASB statement 45 requires those entities to recognize the expense for OPEB more quickly, ideally over the working lifetime of its covered employees.

L&E will develop benefit obligation liabilities for those benefits as specified by GASB 45, including the ARC, the Annual OPEB Cost, and specified disclosures.

To calculate the liabilities, we project post-employment benefit costs for current retirees and current active employees who may retire in the future. The projection includes all post-employment benefits made available to the Sponsor’s retirees. The projection considers the likely cost of future benefits, and the expectation of survival of retirees, employees and dependents to receive such benefits. The projection also includes expected expenses (if any) and retiree contributions.

If a benefit program is self-insured, the projection of the benefit costs is a composite of the expected claims by attained age, stop loss premiums, and administrative expenses for each covered individual from the valuation date to the end of the benefit period. Stop loss premiums and expenses are usually known for the coming fiscal year. For the expected claims, we have to determine an average claim cost from claim and enrollment records, adjusted for the risk characteristics of the covered group and trended to the valuation date.

To develop the total expected benefit costs for each year in the projection, we adjust those values for inflation and for the risk factors for each covered family. If benefits are paid after eligibility for Medicare, then we carve out those benefits that Medicare will cover.

All of our projections are based on assumptions with regard to the survival of plan members, the average per-capita claim costs, and so forth. Those assumptions are disclosed in the appendices attached to our report. One of the most important assumptions is the discount rate, which is used by the model to compute the present value of future post-retirement benefits. The higher the discount rate, the lower the present values, and therefore the OPEB cost.

GASB 45 stipulates that the selection of the discount rate be determined, in part, based on whether the plan benefits are funded in advance. If the employer contributions are at least as great as the OPEB cost for the year, and if they are deposited in an irrevocable trust for the exclusive purpose of paying post-retirement health benefits, the guidance states that the discount rate may be a reasonable long-term rate on the expected investments in that trust. If the employer does not utilize a trust, the employer is limited to using the rate of return expected on all employer assets. If the employer uses a trust, but funds at a level below the OPEB cost, then a blended rate may be used.

Another key assumption for the determination of the plan liabilities is the expected survival of current employees and retirees. As a starting point, we normally used the Sponsor’s pension plan mortality, retirement and withdrawal (turnover) tables, adjusting the overall rates to produce an average number of retirements and turnover that is consistent with the Sponsor’s recent

II. Process

experience. If we have reason to believe that the pension plan's assumptions are not appropriate for the OPEB projections, we will develop age-dependent employee turnover and retirement rates based on the group's experience and expectations. From these we create a model that calculates the probability that each member will survive to retirement, elect to participate in the plan, and receive benefits over their life expectancy.

The liability (present value of benefits) for each enrollee is simply the sum for each future year over his/her life span of the product of three values:

- a) The interest discount factor for that year
- b) The expected cost of benefits (net of retiree contributions) in that year
- c) The probability of receiving retirement benefits in that year

Our actuarial model allocates a portion of each employee's and retiree's present value to the current fiscal year. The methodology of that allocation is called an "Actuarial Cost Method." GASB 45 allows the employer a choice between six different cost methods. We will provide projections based on the two most common methods, the "Projected Unit Credit" and "Entry-Age Normal" cost methods.

Part II – Health Benefit Reserves Analysis

Claim reserves and liabilities are amounts set aside to cover future payments for claims which have been incurred under the contract, but which have not yet been paid.

To calculate the liabilities, we will use the development (or completion factor) method, where factors are computed which "complete" the current period-to-date payment totals for each incurral month to estimate its ultimate expected pay-out. The reserve is then calculated by subtracting the claims that have already been paid from the calculated expected incurred claims. For the most recent incurral months, completion factors can be highly variable and adjustments are usually necessary. Various methods, based on developing an historical claim rate as a function of membership or an anticipated loss ratio are used to estimate the incurred claims for recent incurral months.

Other considerations that will be made in identifying emerging trends are

- Demographic changes and morbidity shifts in the population,
- Changes in benefits,
- Changes in provider reimbursements and medical management,
- Seasonality in claims costs, particularly with high-deductible health plans,
- Changes in claims processing, and
- Large catastrophic claims.

Work Flow

- 1) I&E provides the client with an updated and detailed data request (see Appendix C).
- 2) After receipt of the data, staff reviews it for completeness and consistency with the data request. To the extent necessary, follow-up requests are made.
- 3) Project manager contacts the client to discuss appropriate actuarial assumptions and other issues relevant to the liability calculations. In our experience, a telephone conference is more than adequate and more cost-effective than an on-site meeting.

II. Process

- 4) Preliminary calculations are made and communicated with the client and/or the auditor in a preliminary report.
- 5) Based on feedback, a final report is published and delivered.
- 6) L&E provides answers to follow-up questions from the client and/or its auditors.

Project Schedule (example)

- | | |
|-------------------|--|
| 1) January 15 | L&E submits data requirements |
| 2) January 15-31 | Data and benefit descriptions are collected and reviewed for reasonableness. Questions are forwarded to the Sponsor as needed. |
| 3) February 1-10 | Actuarial assumptions are set. Benefit costs are projected and liabilities are calculated. |
| 2) February 10-15 | L&E prepares draft reports, reflecting any Sponsor comments received. |
| 3) February 15 | L&E presents the projected draft results. |
| 4) February 16-28 | Report is finalized. |
| 5) February 28 | Final report and final funding recommendations are delivered to the Sponsor. |

Please keep in mind that this schedule is illustrative, and that actual results are sensitive to data quality and availability. We will always make every effort to meet client expectations and deadlines.

EXHIBIT "B"
PROPOSAL PAGE



Hidalgo County Purchasing Department
2812 S. Business Highway 281
New Administration Building
Edinburg, Texas 78539
(956) 318-2626/ Fax: (956) 318-2629

MEMORANDUM

To: Ms. Bonnie Albitton, Vice President & Principal
Lewis & Ellis, Inc.

Via email: balbitton@lewisellis.com

From: Martha L. Salazar, Purchasing Agent
Hidalgo County Purchasing Department
C/O Cris, Ayala, Buyer III

Date: July 29, 2013

Re: Negotiation Process for - RFP- 2013-022-05-01-CGA-"Actuarial Consulting Services for Part I- GASB 43 and/or GASB 45 OPED Valuation Analysis and Part II- Health and Benefits Reserve Analysis", project.

Pursuant to action taken by Commissioner's Court on Tuesday, July 19, 2013, be advised that your firm has been selected (ranked number one) to enter into negotiations for a Letter of Engagement with County of Hidalgo to provide services for the above referenced project.

We request that you submit your best and final offer based on your submitted proposal, no later than 4:00 p.m. on Tuesday, August 6, 2013.

We ask that you approve by signing below acknowledgment of receipt with commitment to submit by deadline and return via fax to (956)292-7612 or via email to: cris.villarreal@co.hidalgo.tx.us .

Signed: Bonnie Albitton

Printed Name: Bonnie Albitton

Title: Vice President & Principal



Dallas

Glenn A. Tobleman, F.S.A., F.C.A.S.
S. Scott Gibson, F.S.A.
Cabe W. Chadick, F.S.A.
Michael A. Mayberry, F.S.A.
David M. Dillon, F.S.A.
Gregory S. Wilson, F.C.A.S.
Steven D. Bryson, F.S.A.
Bonnie S. Albritton, F.S.A.
Brian D. Rankin, F.S.A.
Wesley R. Campbell, F.S.A.
Jacqueline B. Lee, F.S.A.
Brian C. Stentz, A.S.A.
Robert E. Gove, A.S.A.
J. Finn Knox-Smith, A.S.A.
Jennifer M. Allen, A.S.A.
Josh A. Hammerquist, A.S.A.
Xiaoxiao (Lisa) Jiang, A.S.A.
Sujartha Tansen, A.S.A.
Sergei Mordovin, A.S.A.
Robert B. Thomas, Jr., F.S.A., C.F.A. (Of Counsel)

Kansas City

Gary L. Rose, F.S.A.
Terry M. Long, F.S.A.
Leon L. Langlitz, F.S.A.
Anthony G. Proulx, F.S.A.
Thomas L. Handley, F.S.A.
D. Patrick Glenn, A.S.A., A.C.A.S.
Christopher H. Davis, F.S.A.
Karen E. Elsom, F.S.A.
Jill J. Humes, F.S.A.
Christopher J. Merkel, F.S.A.

London / Kansas City

Roger K. Annin, F.S.A.
Timothy A. DeMars, F.S.A.
Scott F. Morrow, F.S.A.

Baltimore

David A. Palmer, C.F.E.

August 5, 2013

Martha L. Salazar, CPPB
Purchasing Agent
Hidalgo County Purchasing Department
2801 S. Business Hwy 281
Edinburg, Texas 78539

RE: **Best & Final Offer**
RFP No. 2013-022-05-01-CGA
Actuarial Consulting Services for Part I – GASB 43 and/or 45 OPEB Valuation
Analysis and Part II – Health Benefits Reserve Analysis

Dear Ms. Salazar:

We received your memorandum notifying us that Lewis & Ellis was selected to enter negotiations with the County regarding the above referenced RFP.

Our best and final offer is shown below.

Part I Base	\$9,400
Part I Options	\$7,100
Part II	\$3,400

We appreciate the opportunity to work with the County again. Please feel free to contact me with any questions.

Sincerely,

Bonnie Albritton, FSA, MAAA
Vice President & Principal



Mailing Address: Post Office Box 851857 • Richardson, Texas 75085-1857
2929 N Central Expressway, Suite 200 • Richardson, TX 75080 • 972-850-0850 • FAX: 972-850-0851



Section III

Costs and Terms of Agreement

III. Costs and Terms of Agreement

Scope of Services

Part I – GASB 43 and/or 45 OPEB Valuation Analysis

We will prepare an actuarial valuation, including the following information, for the year ending December 31, 2015 by the desired completion date of February 28, 2016.

1) Base Valuation Requirements

- The actuarial present value of total projected benefits.
- Actuarial accrued liability.
- Actuarial value of the assets (if applicable).
- Unfunded actuarial accrued liability.
- Normal cost.
- Annual required contributions of the employer as a level dollar amount and a level percentage of covered payroll.
- Net OPEB obligation (for employer disclosure under GASB statement number 45 if necessary).
- Prepare the necessary materials for the Comprehensive Annual Financial Report to comply with GASB OPEB reporting and disclosure requirements.
- Prepare the annual gain/loss analysis to determine reasons for changes in the unfunded actuarial accrued liability, whenever a prior actuarial valuation is available to support this.
- Determine the implicit rate subsidy, if any, and the impact it would have on the OPEB liability.
- Prepare an analysis to determine how establishing a trust or equivalent arrangement would affect the interest rate assumption. Timing considerations of establishing the trust should also be considered.
- Analyze the data to assess any inconsistencies and make recommendations for enhancing data quality.

2) Optional Items

- Option 1 – Prepare a cash flow analysis (the “pay-as-you-go-cost”)
- Option 2 – Prepare sensitivity analysis showing the impact of alternative assumptions on the employer’s contributions (healthcare trend rates and investment assumptions).
- Option 3 – If there is not a trust established, determine the difference in the liability based upon the investment returns under a diversified portfolio versus a short-term fixed income portfolio)
- Option 4 – As appropriate, provide recommendations on managing the OPEB liability. This may include changes in plan design.
- Option 5 – As appropriate, review and update plan documents and design. Make recommendations as to formalizing informal plans.

III. Costs and Terms of Agreement

Part II – Health Benefit Reserve Analysis

We will prepare an analysis of the health benefit reserves, including the following information, for the year ending December 31, 2013 by the desired completion date of February 28, 2014.

- Based on claims analysis, determine the Hidalgo County's (County) estimated range of reserve liability for the medical benefit plan.
- Estimate the unpaid claim liability of the County's self-funded medical plan for health claims that have been incurred but not paid as of December 31, 2013.
- Prepare a written analysis of claim liability for the entire plan broken out by employee group and plan.
- Prepare a forecast of the number of expected claims, estimate the value of the expected payments, develop overall trend and insurance inflation factors, estimate the lag in reporting incurred claims and estimate the lag in reporting incurred claims and estimate the lag in payment of claims.
- Provide a spreadsheet of the incurred claim liability.
- Summarize the results of our claim reserve analysis showing monthly paid and incurred claims.
- Summarize paid claims, estimated incurred claims, recast reserves by month, including the resulting reserve liability as of December 31, 2013.
- Provide analysis detailing the claims lag.
- Provide analysis detailing the average liability per employee.

Price Quotation

We have developed a maximum "not to exceed" cost for the services outlined above.

Part I – GASB 43 and/or 45 OPEB Valuation Analysis

1) Base valuation	\$9,890
2) Option 1 – Cash Flow Analysis	\$2,055
3) Option 2 – Sensitivity Analysis	\$1,650
4) Option 3 – Investment Return Analysis	\$530
5) Option 4 – OPEB Liability Management	\$1,630
6) Option 5 – Update Plan Document	\$1,630

Part II – Health Benefit Reserve Analysis	\$3,535
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These are all-inclusive prices, covering all direct and indirect costs and out-of-pocket expenses.

The following table details the estimated hours and hourly rates, including the not-to-exceed price.

III. Costs and Terms of Agreement

Project Step	Employee Class	Hours	Rate	Total
Data Request Preparation and Review				
	Staff Actuaries	1	\$235	\$235
	Staff	1	\$120	\$120
Set Assumptions				
	Project Manager	3	\$290	\$870
	Staff Actuaries	2	\$235	\$470
	Staff	2	\$120	\$240
Model Setup and Testing				
	Project Manager	3	\$290	\$870
	Staff Actuaries	4	\$235	\$940
	Staff	8	\$120	\$960
Consultation with Client				
	Project Manager	3	\$290	\$870
Finalize Assumptions				
	Project Manager	2	\$290	\$580
Initial Report				
	Project Manager	3	\$290	\$870
	Staff Actuaries	3	\$235	\$705
	Support Staff	2	\$100	\$200
Peer Review				
	Senior Actuary	2	\$260	\$520
Final report				
	Project Manager	3	\$290	\$870
	Staff Actuaries	2	\$235	\$470
	Support Staff	1	\$100	\$100
Base GASB 45 Valuation		45		\$9,890
	Project Manager	3	\$290	\$870
	Staff Actuaries	3	\$235	\$705
	Staff	4	\$120	\$480
Option 1 - Cash Flow Analysis		10		\$2,055
	Project Manager	2	\$290	\$580
	Staff Actuaries	2	\$235	\$470
	Staff	5	\$120	\$600
Option 2 - Sensitivity Analysis		9		\$1,650
	Project Manager	1	\$290	\$290
	Staff Actuaries	0	\$235	\$0
	Staff	2	\$120	\$240
Option 3 - Investment Return Analysis		3		\$530
	Project Manager	4	\$290	\$1,160
	Staff Actuaries	2	\$235	\$470
	Staff	0	\$120	\$0
Option 4 - OPEB Liability Management		6		\$1,630
	Project Manager	4	\$290	\$1,160
	Staff Actuaries	2	\$235	\$470
	Staff	0	\$120	\$0
Option 5 - Update Plan Document		6		\$1,630
	Project Manager	4	\$290	\$1,160
	Staff Actuaries	5	\$235	\$1,175
	Staff	10	\$120	\$1,200
Health Benefit Reserve Analysis		19		\$3,535

OPENED
10/12
5-15-13
Witnessed

[Signature]

III. Costs and Terms of Agreement

On-Site Meeting/Presentation

Our fee for an on-site meeting or presentation will be \$1,500.

Additional Services

Any additional services outside of the scope of proposed services shown above, such as supplementary meetings, will be at the hourly rates quoted shown below, plus direct expenses, unless another arrangement is made.

<u>Staff Description</u>	<u>Current Hourly Rates</u>
Project Actuary	\$290
Support Actuaries	\$235
Staff	\$120
Support Staff	\$100

OPENED

10.12

5-15-13

Witnessed




EXHIBIT "C"

CERTIFICATE OF INSURANCE



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
9/24/2013

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 Sleeper Sewell Insurance Services, Inc. 12400 Coit Road, Suite 1100 Dallas TX 75251-2039	CONTACT NAME: PHONE (A/C, No, Ext): (972) 419-7500 FAX (A/C, No): (972) 419-7555 E-MAIL ADDRESS:	
	INSURER(S) AFFORDING COVERAGE	
INSURED Lewis & Ellis Inc 2929 N. Central Exwy #200 Richardson TX 75080	INSURER A: Indian Harbor Ins Co	
	INSURER B:	
	INSURER C:	
	INSURER D:	
	INSURER E:	
	INSURER F:	

COVERAGES **CERTIFICATE NUMBER:** 13/14 E&O Cert **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 GEN'L 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"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input type="checkbox"/> Y/N If yes, describe under DESCRIPTION OF OPERATIONS below						WC STATUTORY LIMITS OTHER E L EACH ACCIDENT \$ E L DISEASE - EA EMPLOYEE \$ E L DISEASE - POLICY LIMIT \$
A	Professional Liability			MPP003588902	10/1/2013	10/1/2014	\$3,000,000 Limit

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

CERTIFICATE HOLDER Hidalgo County Attn: Purchasing Dept 2812 S Hwy Business 281 Edinburg, TX 78539	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 Von Breaux/BECKY

CC MEETING OF 09-03-2013

✓ "Lease of Office Space-City of La Joya," by providing/forwarding a Thirty (30) Day written notice of termination as requested by WIC Program Director.

C. Budget & Management

1. AI-40232 Acceptance and approval of the final negotiated contract with Lewis & Ellis Inc. for "Actuarial Consulting Services for Par I-GASB 43 and/or 45 OPEB Valuation Analysis and Part II-Health Benefits Reserve Analysis" for Hidalgo County including Best and Final Offer.

APPROVED

D. Sheriff's Office

1. AI-40140 a. Requesting exemption from competitive procurement requirements under the Texas Local Government Code- 262.024(a)(4), a professional service:

b. Authority to enter into a & approval of contract for the provision of Psychological Services (as mandated under Texas Administrative Code) with Dr. Gregorio Pina, III, PhD.

2. AI-40391 Requesting authority to advertise with approval of plans and specifications developed by project engineer Half Associates, Inc for Hidalgo County Sheriff's Office - Facility Modifications to Incorporate Motorola and 911 Equipment. RFB No. 2013-258-09-25-MSS.

E. Co. Wide

1. AI-39784 Presentation of bid received as detailed in tabulation sheet contained herein meeting all specifications for the purpose of award and approval of contract for RFB titled: Hidalgo County (all funding sources)- "Collection of Used Oil, Oil Filters and Antifreeze" through project No.: 2013-038-06-26-MEG.

2. AI-40038 Presentation of tabulation for action by CC to award to multiple vendors that submitted the lowest & best bids (by category/item and meeting all specifications and requirements) with approval of contracts for "Lubricants (Grease, Oil Hydraulic Fluids) and Antifreeze Products" for RFB No 2013-021-07-24-YZV.

23. **Closed Session:** Commissioners' Court may go into Closed Session pursuant to Chapter 551, Texas Government Code, Sections 551.071 & 551.072 to discuss the following:

A. Real Estate Acquisition

B. Pending and/or potential litigation

C. AI-40482 County v. MERS (Mortgage Electronic Registration Systems)

D. AI-40289 Claim of Brian Valadez

E. AI-40490 Notice of Claim - Pablo & Amanda Garcia and the Estate of Rai Garcia, deceased

F. AI-40395 Claim of Guadalupe Limon

*in @ 10:50
out @ 11:15*

5 packets Arguendegui + Oil Patch

CC MEETING OF 09-03-2013