



ADDENDUM #1

To: All Companies Interested in Submitting a Proposal
From: Diane Muench, CPPB, Purchasing Services Manager
Proposal: Casualty Actuary Services, RFP #PUR0820-026
Subject: Addendum #1 (3 pages)
Date: August 26, 2020

Please note the following specification changes/additions/clarifications relative to the above Request for Proposal.

- 1) **Question:** What actuarial firm(s) are currently providing the services outlined? If the contract has expired, which firm(s) previously provided the actuarial services sought?
Answer: Glicksman Consulting.
- 2) **Question:** How long has the current actuarial firm(s) been providing the services outlined? If the contract has expired, how long did the previous actuary provide the actuarial services sought?
Answer: Glicksman Consulting has been performing casualty actuary services for the City for over 10 years.
- 3) **Question:** What are the current actuarial firm(s) charging for the services outlined? If the contract has expired, what did the previous actuary charge for services?
Answer: \$1,500 per year.
- 4) **Question:** Why has the request for services been made at this point in time?
Answer: The current contract was awarded in 2014 and has no renewal options remaining, therefore, the City is re-soliciting these services.
- 5) **Question:** In the last five (5) years, was the previous actuary asked to provide any additional ad hoc assignments or optional services, and if so, how many/which and what were the fees charged?
Answer: No.
- 6) **Question:** Will the prior actuarial report be provided to the firm awarded the contract?
Question: Can you provide a copy of the last actuarial study report?
Answer: Yes.
- 7) **Question:** On page 9 of the RFP, it states that data will be provided by August 15th and the report is due September 15th. Since the contract will not be awarded until sometime in September and the contract will not begin until October 1st, when will this year's report be due and when will data be provided?
Answer: This year's report is complete and the next report would not be due until September 15, 2021 for FY21.
- 8) **Question:** On page 13 of the RFP, Section 6.2 – is the City simply seeking yes or no responses, or would the City prefer further explanation as to how the actuarial duties would be carried out?

Answer: A yes or no answer is acceptable, but the bidder can provide additional information as necessary.

9) **Question:** For the email submission, will you accept our proposal in PDF format?

Answer: Yes, .pdf is acceptable.

10) **Question:** Can you provide exposure information to help us prepare our financial proposal

Answer: See Attachment A to Addendum No. 1.

11) **Question:** Is the underlying data available in excel format?

Answer: Yes.

12) **Question:** Has there been any change of the scope of work in recent years?

Answer: No.

13) **Question:** The RFP states that no in-person meetings are required – does The City host a video conference or other meeting that we can take part in to go over our report and answer any questions? After COVID, will in-person meetings take place?

Answer: No in person or formal video conferences are required.

14) **Question:** Per Section 3.1.6, “No price escalation will be allowed during the initial term of the contract. Does this mean that the price proposed for all three years of the initial term must be the same, or is a proposer permitted to include anticipated inflation in their proposal, but not change those prices once submitted.

Answer: Price shall be held firm for the first 3 years of the contract.

15) **Question:** Section 4.3.3 states that the City carries its liabilities at an undiscounted 95% confidence level. Section 4.3.5 states that the City books to the actuary’s 80% confidence level, plus an amount for expenses not included in the claim files. Can you clarify the difference between these two statements

Answer: City council Resolution No. 1044-06-04 states: *The City has established and will annually fund, to the fullest extent possible, a Risk Management Fund. Self-insured liability exposures will be funded at an 80% confidence level and reserved at a 95% confidence level as determined by an independent actuary.* The City books reserves at 95% confidence level and fund (budget) at 80% confidence level.

16) **Question:** Section 5.4 states that additional credit will be given to firms with performance on previous City contracts. Does this include the incumbent actuarial firm, and if so, what is the amount of the additional credit

Answer: See evaluation criteria, Page 11 of the RFP.

17) **Question:** Does Section 6.1 require a single total price for all three years of the contract combined, or is it permitted to submit a separate price for each year (see question 6 above)

Answer: Price is requested for one (1) annual report - see Page 13 of the RFP.

18) **Question:** Per Attachment B, the selected consultant must maintain automobile liability insurance for “all owned ... vehicles used in the performance of the Contract.” Does this apply to a vehicle owned by the firm that is used to go to and from the office where the work will be performed.

Answer: Yes.

19) **Question:** What is the date of the oldest outstanding claim in your database for each line of business.

Answer: The oldest outstanding claim is liability FY16 and the oldest workers compensation is FY91.

20) **Question:** Is the prior actuary engaged for this work permitted to bid in conjunction with this RFP?

Answer: Yes.

21) **Question:**

Answer:

All addenda that you receive shall become a part of the contract documents and shall be acknowledged and dated on the bottom of the Signature Page (Attachment B). The deadline for sealed proposals is Friday, September 4, 2020, before 3:00 pm CDT.