



**COUNTY OF EL DORADO
Procurement & Contracts**

ATTN: Purchasing Agent
360 Fair Lane
Placerville, CA 95667

REQUEST FOR PROPOSAL #17-961-012

DUE: 3:00 PM – October 17, 2016

Sealed Proposals must be clearly marked on the outside of the package with:
“RFP #17-961-012 MAILROOM DO NOT OPEN”

EMPLOYEE BENEFIT CONSULTING SERVICES

The County of El Dorado Office of Procurement and Contracts, through its Human Resources Department, Risk Management Division (also referred to as “County”), is requesting proposals for from qualified firms or individuals for the provision of employee and retiree benefits consulting services.

This request for proposal (RFP) defines the scope of services and outlines the requirements that must be met by Proposers interested in providing such services. Proposers shall carefully examine the entire RFP and any addenda thereto, and all related materials and data referenced in the RFP or otherwise available, and shall become fully aware of the nature and the conditions to be encountered in performing the service. **Proposers are advised to read all sections of this RFP prior to submitting a proposal.**

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Exhibits: “A” Vendor Questionnaire
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Notice to Proposers

The Procurement and Contracts Division does not mail out hard copy letters advising participating Proposers of RFP results. For RFP results, please visit our website at

<http://edcapps.edcgov.us/contracts/bidresults.asp>

RFP results will be posted within approximately fourteen business days after the RFP opening deadline date. The timeline for posting RFP results may vary depending on the nature and complexity of the RFP.

- I. **Background:** The County desires a long-term relationship with a qualified employee benefits consulting firm. The initial contract period is one year with the expectation that the contract period will be extended by mutual consent for additional one-year periods. The last time the County marketed its health benefits program was in 2009, with major plan changes during this time, which included adding two (2) Blue Shield high deductible health plans, terminating the United Healthcare HMO for active employees and early retirees, and adding United Healthcare Advantage PPO for Medicare retirees, as well as consolidating most plans under our JPA, CSAC-EIA. It is the intent of the County to name the successful consulting firm as its broker of record and apply applicable commissions as an offset to annual contract fees. The County's current benefits consultant is Alliant Consulting of San Francisco and the benefits program covers approximately thirteen hundred (1300) of eighteen hundred (1800) active employees and four hundred twenty-five (425) retirees. In addition, the County administers its own United Healthcare and Managed Health Network contracts along with Long Term Disability/Group Life Insurance through Lincoln Financial Group. In 2015 the County spent \$7,900 monthly for consulting services for its fifteen (15) bargaining units, ten (10) MOUs, and one (1) Salary and Benefit Resolution for unrepresented employees. Open enrollment is conducted through the Employee Benefits Specialists online self-service system.

In addition to Health Benefits, the County offers employees:

- Optional Benefits Plans under IRC Section 125
- A Defined Contribution Program for Retiree Health
- An Employee Assistance Program
- Long Term Disability and Group Life Insurance

- II. **Scope of Services:** The successful Proposer will be required to enter into an agreement for services with the County substantially similar in form to that attached hereto as Exhibit "B," marked "Sample Agreement for Services." Any reference in this Request for Proposal to specific terms of the agreement are for illustrative purposes only and shall not limit the scope of the obligations to be assumed by the successful Proposer under the agreement. In the event of any conflict between a provision of this Request for Proposal and the provisions of the agreement attached as Exhibit "B," the terms of the agreement shall govern.

Services are those of a broker and consultant in performance of a full range of services related to the acquisition, implementation, maintenance, communication and improvement of the County's Group Employee Health benefits. Specific responsibilities include, but are not limited to:

- A. Advise and assist County staff for the effective management of the County's benefits programs, including group health insurance, dental, vision, prescription drugs and employee benefit programs.

- B.** Advise County staff concerning compliance with federal and state laws as they impact any benefits program provided by the County.
- C.** Advise and make recommendations concerning improvement alternatives, quality and monetary, with our benefits program, especially group health care.
- D.** Advise and assist with alternative options in benefits plan provisions as well as the delivery of discretionary and voluntary benefits, dominantly health care.
- E.** Provide regular and ad hoc technical analysis of all benefits programs, especially group health care.
- F.** Provide actuarial services necessary for renewals, trending for pricing purposes, retiree health costs, development of future benefits program strategies, etc.
- G.** Advise on legislative updates, newsletters, surveys, etc. needed for the effective administration of group health programs.
- H.** Assist as requested with in-house communication programs for the delivery of benefit information to employees.
- I.** Advise and make recommendations on internal processes that will assure privacy and reporting requirements are met, including technological advancements that enable better management of data collection and communications.
- J.** Provide access to workshops and seminars in order for County staff to remain up to date on changing regulations.
- K.** Make presentations and reports to the County Board of Supervisors as requested, and assist County staff with preparations of recommendation to Board of Supervisors for recommended health programs.
- L.** Assist the County in administering its group health insurance plans, responding to questions from and providing information to staff representatives, settling claim disputes and other oversight services as may be reasonably necessary incidental to the scope of services provided herein during the course of the programs.
- M.** Upon request by the County, conduct such independent audits of claims, claims payments, and billing records of benefits administrators as may be required to provide independent assurance of compliance by the administrator with contract terms.
- N.** Review claims experience, census, claims service, and claims administration to ensure maximum benefit to the County.
- O.** Assist in representing the County in negotiations with providers on all issues, including those related to premiums, benefit levels, plan design and special terms and conditions.

- P. Conduct surveys and data gathering activities as requested with employees and retirees to ascertain benefit needs, levels of satisfaction and benefit education needs.
- Q. As requested by the County, solicit bids from insurance markets which specialize in group insurance plans.
- R. Develop specification for County employee health insurance coverages based on consultant's special knowledge & abilities with respect to claims payment procedures, experience, history, reserve establishment policies, financial soundness, and assist County in identifying the most cost beneficial options.
- S. Coordinate with County staff and representatives on labor relations issues concerning group insurance and benefit programs during meet-and-confer negotiations.
- T. Assist in establishing funding and contribution rates for health benefits.
- U. Assist county in continuing oversight of its IRC Section 125 Optional Benefits Plan and related Open Enrollment communications materials.
- V. Assist County with any other aspects of plan design, funding, or administration related to health benefits, EAP benefits, disability/life insurance benefits, time off benefits, or other employee and retiree benefits issues as requested by the County from time to time.
- W. Provide annual actuarial analysis of appropriate Incurred But Not Reported (IBNR) reserve dollar amounts on account of County's self-funded health benefits.

III. Characteristics of Preferred Organizations: The county is seeking an organization with the following key characteristics:

- A. Proven track record in providing services for employee group health care, welfare, and voluntary programs for comparatively sized public agencies.
- B. An established presence in the group benefit management field with substantial group health plan and Optional Benefits Plan experience.
- C. Prior consulting experience with public sector, preferably County governments, with adequately licensed staff.
- D. Positive record of work performance and meeting deadlines.
- E. Positive overall financial position.
- F. Positive client references.
- G. Acceptance of commission offset against billing for services.
- H. Fee schedule and agreed contractual cost-not-to exceed amount for services.

- IV. Proposal Content:** Proposal responses must adhere to the requirements set forth in this section, both for content and sequence. Failure to adhere to these requirements or the inclusion of conditions, limitations or misrepresentations may be cause for rejection of the submittal. The original proposal and each subsequent copy must be submitted on paper, properly bound, appropriately tabbed and labeled. Proposal responses shall include the following minimum information:
1. Complete answers to questions contained in Exhibit "A", "Vendor Questionnaire."
 2. Provide a "cover Letter" and introduction, including the name and address of the organization or individual submitting the proposal, together with the name, address, telephone and fax numbers, and e-mail address of the contact person who will be authorized to make representations for the organization, and an expression of the Proposer's ability and desire to meet the requirements of this Request for Proposal. The letter must be signed by an individual authorized to bind the firm contractually.
 3. A written statement of your firm's ability to comply with the insurance requirements set forth in Exhibit "B," "Sample Agreement for Services."
- V. Proposers' Questions:** Questions regarding this RFP must be submitted in writing to the Procurement and Contracts Office and must be received no later than **5:00 PM – on September 30, 2016**. All envelopes or containers must be clearly labeled "**RFP #17-961-012 – QUESTION**" for convenience purposes. Envelopes or containers not clearly labeled may be overlooked and not responded to. Questions will **not** be accepted by telephone, facsimile (fax), electronically, or orally. The County reserves the right to decline a response to any question if, in the County's assessment, the information cannot be obtained and shared with all potential organizations in a timely manner. A summary of the questions submitted, including responses deemed relevant and appropriate by the County, will be posted on the Procurement and Contracts website on or about **October 7, 2016**.

All inquiries shall be submitted by U.S. mail to:

Procurement and Contracts
360 Fair Lane
Placerville, California 95667
RFP #17-961-012 – Question

Proposers are cautioned that they are not to rely upon any oral statements that they may have obtained. Proposers shall direct all inquiries to the County Purchasing Agent and shall not contact the requesting department directly regarding any matter related to this Request for Proposal.

- VI. Proposal Submittal:** Proposers must submit one (1) electronic version (CD or USB flash drive) and one (1) hard copy of their proposal, along with any addenda, in a sealed envelope or container, clearly marked “**RFP #17-961-012 – MAILROOM DO NOT OPEN**”, **no later than 3:00 PM – October 17, 2016**, to:

County of El Dorado
Procurement and Contracts
360 Fair Lane
Placerville, CA 95667

A Proposer may withdraw its final proposal at any time **prior** to the opening deadline date and time by submitting a written request for its withdrawal to the County Purchasing Agent, signed by an authorized agent of the firm. Proposers may thereafter submit a new or modified proposal **prior** to the opening deadline date and time. Modifications offered in any manner, oral or written, will not be considered.

Proposers submitting less than the required number of copies of their proposal will be rejected and considered “non-responsive.” Proposals received beyond the deadline will not be considered, and will be returned unopened.

It is the responsibility of the Proposer to assure that the proposal is received in the Procurement & Contracts Division prior to the proposal opening deadline date and time. Proposals received beyond the proposal opening deadline will not be accepted and will be returned unopened. The time stamp clock located in the office of the Procurement and Contracts Division will serve as the official time clock.

For questions regarding the Request for Proposal process, contact Ashley Wells, Department Analyst at (530) 621-5804.

- VII. Public Records Act:** All proposals shall become public information at the conclusion of the selection process, with the exception of those portions of a proposal that are identified at the time of submittal by the Proposer as trade secrets. Pricing and service elements of the successful proposal will not be considered proprietary information. Proprietary information shall be submitted in a **separate** sealed envelope clearly labeled as proprietary with the RFP number on the outside of the envelope. All materials submitted in response to this Request for Proposal shall become the property of the County and will not be returned.
- VIII. Valid Offer:** Proposals shall remain valid for 120 days from the due date. The County reserves the right to negotiate with the successful Proposer any additional terms or conditions not contained in their proposal which are in the best interest of the County or to otherwise revise the scope of this RFP.

This RFP does not constitute a contract nor an offer of employment. The cost of preparation of proposals shall be the obligation of the Proposer. All proposals, whether accepted or rejected, shall become the property of the County and will not be returned. Unnecessarily

elaborate responses, enclosures and specialized binding are not desired, and may be construed as an indication of Proposer's lack of cost consciousness.

IX. County's Rights: The County reserves the right to:

1. Request clarification of any submitted information
2. Waive any informalities or irregularities in any qualification statement
3. Not enter into any agreement
4. Not select any consultant
5. Cancel this process at any time
6. Amend this process at any time
7. To award more than one contract if it is in the best interest of the County
8. Interview consultants prior to award
9. To request additional information during an interview

X. El Dorado County Web Site Requirements: It is the bidder's responsibility to monitor the County's website for possible addenda to this bid to inform him/herself of the most current specifications, terms, and conditions, and to submit his/her bid in accordance with the original bid requirements and all addenda. All available bids and related addenda can be found at:

<http://edcapps.edcgov.us/contracts/invite.asp>

Failure of bidder to obtain this information shall not relieve him/her of the requirements contained therein. Those bidders not acknowledging and returning Addenda as required will not be considered and will be rejected as "non-responsive."

XI. Evaluation: Proposals shall be evaluated by a team composed of a joint labor management group. Proposals shall be evaluated on the basis of:

Total cost to the County	35%
Completeness and clarity of your response to this RFP	15%
Qualifications and expertise of your proposed account team	20%
Depth and breadth of your technical resources	15%
References	15%
Total	100%

Finalist Interviews:

An initial screening based upon the above criteria will result in a short list of finalists. Finalists will be scheduled for a mandatory interview on **October 21, 2016**. The interview date and time for each finalist will be determined by the County's evaluation team, and may not be rescheduled or made-up. Notification of individual interview dates will be sent via electronic mail. All Proposers are advised to keep the above date available. The account team that is proposed to be assigned to El Dorado County must attend this interview.

The evaluation criteria above shall be used as the basis for an initial evaluation of the proposals. However, the final recommendation of the evaluation team shall be based on its evaluation of all relevant factors including finalist interviews, and its determination as to

which proposal best meets the needs of the County. The team's recommendation need not be in strict conformance with the numerical results derived from the application of the evaluation criteria.

Failure to comply with any of the requirements contained herein may result in disqualification. It is the responsibility of all Proposers to read ALL sections of this RFP prior to submitting a response.

- XII. Award:** Award shall be recommended to the Proposer whose proposal best meets the needs of the County. The County reserves the right to reject any or all proposals, and to solicit additional proposals if deemed in the best interest of the County to do so. The decision of the County Board of Supervisors shall be final in making such determination.

The successful Proposer will receive written notification of the award, along with instructions for finalizing the agreement documents. Receipt of the fully executed agreement will serve as Proposer's notice to proceed with services.

- XIII. Business License Requirement:** It is unlawful for any person to furnish supplies or services, or transact any kind of business in the unincorporated territory of El Dorado County without possessing a County business license unless exempt under County Code Section 5.08.070. Contact the Tax Collector's Office at 360 Fair Lane, Placerville, CA 95667, or phone (530) 621-5800, for further information. El Dorado County is an equal opportunity employer (EOE). Minorities, females, and handicapped are encouraged to participate (M/F/H).

It is not a requirement to possess a County business license at the time of proposal submittal. Successful Proposers may be required to possess a County business license to award contract.

The County of El Dorado is an equal opportunity employer (EOE). Minorities, Females and Handicapped are encouraged to participate.

- XIV. Public Agency:** It is intended that other public agencies (i.e., city, special district, public authority, public agency and other political subdivisions of the State of California) shall have the option to participate in any agreement created as a result of this Request for Proposal to Bid with the same terms and conditions specified there in, including pricing. The County shall incur no financial responsibility in connection with any agreement from another public agency. The public agency shall accept sole responsibility for contracting for services and making payment to the vendor.

Your participation in the RFP process is important to El Dorado County!

Exhibit “A”

VENDOR QUESTIONNAIRE

A complete proposal will include responses to each of the following. Proposals that contain incomplete responses may be disqualified from the selection process.

1. Briefly describe your firm’s history, number of employees, local and overall organization structure, general services, and legal and other resources you are able to provide. Please advise if your organization is currently involved in any merger, acquisition, organization restructuring, or other internal change that may impact your services.
2. Give reasons why all stake holders – labor, management, current vendors, employees, and retirees – should have confidence in the objectivity of your firm’s recommendations and analysis.
3. Identify the account team that will be assigned to El Dorado County. List job title and responsibilities. Provide resumes for each individual. Indicate the areas of expertise for each team member who would be assigned to our account.
4. For each of the following specialty areas, provide a description of your resources which can be brought to bear on an “as-needed” basis. Include a brief resume of key personnel, and state the hourly rates which would apply for such services:
 - Actuarial analysis of changes to a retiree health insurance contribution program.
 - Legal analysis of a new federal regulation.
 - Development of a new employee communication package explaining a new health plan option.
 - Evaluation of cost/effectiveness of a proposed disease management program.
 - Implementation of a wellness program.
 - Recommending an out-source vendor for administrative systems enhancement.
5. If you offer or recommend a “standard” annual service package, identify each service you offer as part of your standard services for employers, and discuss how these services will be charged.
6. Identify each additional service you offer to clients directly or through affiliated providers (identify affiliated providers). Describe your ability to provide actuarial services related to renewals and ongoing benefits issues.
7. Outline your approach to client management and service. Describe your specific plans to service our account, focusing on how you would work with us to develop an annual strategic plan.
8. Provide samples of legislative updates, surveys, newsletters, and other publications we will receive as part of your standard service package.

9. Describe the technology you use in-house to communicate with your clients and deliver information.
10. Describe the analytical tools you would use in evaluating our health plan experience. How would this loss experience information be communicated to the County?
11. Outline your approach to ensuring that your clients are in compliance with all applicable regulations. Include a sample internal or external tool you use to manage the reporting and disclosure process.
12. How do you provide legal research, compliance, and legal consultation? Do you have internal counsel or do you rely on outside counsel? If external, identify the firm, describe your contractual relationship, and confirm how we would be charged for these services.
13. What types of training (seminars, newsletters, etc.) do you offer to keep your clients up to date on changing regulations? Provide samples of recent events and printed materials.
14. Provide information on your underwriting experience.
15. Describe your medical Third Party Administrator (TPA) performance audit experience and capabilities.
16. Describe your methodology and estimate typical costs associated with issuance of a Request for Proposals for a fully insured HMO for a group the size of El Dorado County.
17. Describe your methodology, including the staff time involved, and estimate typical annual cost to compute IBNR liability associated with self-funded vision and dental plans.
18. Compute your proposed annual not-to-exceed cost. Confirm that your fees would be credited by unavoidable commission income, to include disclosed and undisclosed overrides. Include time period for which hourly rates are guaranteed.
19. List the corresponding fees for every service you have identified as available but outside of your standard package.
20. Include your proposed service guarantees.
21. Describe the Human Resources (HR) consulting services your firm can provide. Outline which services would be included in the standard package and which would be available at additional cost.
22. Provide a customer reference list of no fewer than three (3) organizations preferably County governments or municipalities in California with whom you currently have contracts and/or have previously provided consulting services of equal type and scope within the past five years. Reference list shall include, company name, contact person and telephone number, project description, length of business relationship, and background of project (year of project, summary of work performed, etc.).

23. Provide a list of customers in California with whom you previously held a Contract for consulting services, but with whom contracts were not renewed within the last five years.
24. What, if any, additional or non-routine first-year costs would you expect the County to pay, related to transition of this account from the incumbent consulting firm?
25. With reference to the Sample Agreement for Services included herein as Exhibit "B," indicate clearly whether or not your firm will agree to it in its entirety. If there is any language to which you will not or cannot agree, please clearly reference the offending language, and propose alternative language to which you will agree. If you would like to propose an alternative form of contract to which the County may agree, please feel free to do so, however, the County is most interested in knowing whether you will agree to its proposed terms.
26. Describe the experience, if any, you have had with automated open enrollment and what products or systems you have in place.

Exhibit "B"

SAMPLE AGREEMENT FOR SERVICES #____ - _____

For Illustrative Purposes Only

THIS AGREEMENT made and entered by and between the County of El Dorado, a political subdivision of the State of California (hereinafter referred to as "County") and _____, a _____, duly qualified to conduct business in the State of California, whose principal place of business is _____, and whose Agent for Service of Process is *Company name, physical address*, (hereinafter referred to as "Contractor");

RECITALS

WHEREAS, County has determined that it is necessary to obtain a Contractor to provide _____; and

WHEREAS, Contractor has represented to County that it is specially trained, experienced, expert and competent to perform the special services required hereunder and County has determined to rely upon such representations; and

WHEREAS, it is the intent of the parties hereto that such services be in conformity with all applicable federal, state and local laws; and

WHEREAS, County has determined that the provision of these services provided by Contractor is in the public's best interest, and that these services are more economically and feasibly performed by outside independent Contractors as well as authorized by El Dorado County Charter, Section 210 (b) (6) and/or Government Code 31000;

NOW, THEREFORE, County and Contractor mutually agree as follows:

ARTICLE I

Scope of Services: Contractor agrees to furnish the personnel and equipment necessary to provide _____.

ARTICLE II

Term: This Agreement shall become effective upon final execution by both parties hereto and shall expire _____.

ARTICLE III

Compensation for Services: For services provided herein, including any deliverables that may be identified herein, County agrees to pay Contractor upon the satisfactory completion and County's acceptance of work, monthly in arrears and within forty-five (45) days following the County's receipt and approval of itemized invoice(s) identifying services rendered.

For the purposes of this Agreement, the billing rate shall be _____.

Total amount of this Agreement shall not exceed _____.

Itemized invoices shall follow the format specified by County and shall reference this Agreement number on their faces and on any enclosures or backup documentation. Copies of documentation attached to invoices shall reflect Contractor's charges for the specific services billed on those invoices. Invoices shall be mailed to County at the following address:

County of El Dorado
Department
Address
Placerville, California 95667

or to such other location as County directs.

In the event that Contractor fails to deliver the documents or other deliverables required by the individual Work Orders issued pursuant to this Agreement, County at its sole option may delay the monthly payment for the period of time of the delay, cease all payments until such time as the deliverables are received, or proceed as set forth herein below in Article _____, Default, Termination, and Cancellation.

ARTICLE IV

Taxes: Contractor certifies that as of today's date, it is not in default on any unsecured property taxes or other taxes or fees owed by Contractor to County. Contractor agrees that it shall not default on any obligations to County during the term of this Agreement.

ARTICLE V

Changes to Agreement: This Agreement may be amended by mutual consent of the parties hereto. Said amendments shall become effective only when in writing and fully executed by duly authorized officers of the parties hereto.

ARTICLE VI

Contractor to County: It is understood that the services provided under this Agreement shall be prepared in and with cooperation from County and its staff. It is further agreed that in all matters pertaining to this Agreement, Contractor shall act as Contractor only to County and shall not act as Contractor to any other individual or entity affected by this Agreement nor provide information in any manner to any party outside of this Agreement that would conflict with Contractor's responsibilities to County during term hereof.

ARTICLE VII

Assignment and Delegation: Contractor is engaged by County for its unique qualifications and skills as well as those of its personnel. Contractor shall not subcontract, delegate or assign services to be provided, in whole or in part, to any other person or entity without prior written consent of County.

ARTICLE VIII

Independent Contractor/Liability: Contractor is, and shall be at all times, deemed independent and shall be wholly responsible for the manner in which it performs services required by terms of this Agreement. Contractor exclusively assumes responsibility for acts of its employees, associates, and subcontractors, if any are authorized herein, as they relate to services to be provided under this Agreement during the course and scope of their employment.

Contractor shall be responsible for performing the work under this Agreement in a safe, professional, skillful and workmanlike manner and shall be liable for its own negligence and negligent acts of its employees. County shall have no right of control over the manner in which work is to be done and shall, therefore, not be charged with responsibility of preventing risk to Contractor or its employees.

ARTICLE IX

Fiscal Considerations: The parties to this Agreement recognize and acknowledge that County is a political subdivision of the State of California. As such, El Dorado County is subject to the provisions of Article XVI, Section 18 of the California Constitution and other similar fiscal and procurement laws and regulations and may not expend funds for products, equipment or services not budgeted in a given fiscal year. It is further understood that in the normal course of County business, County will adopt a proposed budget prior to a given fiscal year, but that the final adoption of a budget does not occur until after the beginning of the fiscal year.

Notwithstanding any other provision of this Agreement to the contrary, County shall give notice of cancellation of this Agreement in the event of adoption of a proposed budget that does not provide for funds for the services, products or equipment subject herein. Such notice shall become effective upon the adoption of a final budget which does not provide funding for this Agreement. Upon the effective date of such notice, this Agreement shall be automatically terminated and County released from any further liability hereunder.

In addition to the above, should the Board of Supervisors during the course of a given year for financial reasons reduce, or order a reduction, in the budget for any County department for which services were contracted to be performed, pursuant to this paragraph in the sole discretion of the County, this Agreement may be deemed to be canceled in its entirety subject to payment for services performed prior to cancellation.

ARTICLE X

Audit by California State Auditor: Contractor acknowledges that if total compensation under this agreement is greater than \$10,000.00, this Agreement is subject to examination and audit by the California State Auditor for a period of three (3) years, or for any longer period required by law, after final payment under this Agreement, pursuant to California Government Code §8546.7. In order to facilitate these potential examinations and audits, Contractor shall maintain, for a period of at least three (3) years, or for any longer period required by law, after final payment under the contract, all books, records and documentation necessary to demonstrate performance under the Agreement.

ARTICLE XI

Default, Termination, and Cancellation:

- A. Default: Upon the occurrence of any default of the provisions of this Agreement, a party shall give written notice of said default to the party in default (notice). If the party in default does not cure the default within ten (10) days of the date of notice (time to cure), then such party shall be in default. The time to cure may be extended at the discretion of the party giving notice. Any extension of time to cure must be in writing, prepared by the party in default for signature by the party giving notice and must specify the reason(s) for the extension and the date on which the extension of time to cure expires.

Notice given under this section shall specify the alleged default and the applicable Agreement provision and shall demand that the party in default perform the provisions of this Agreement within the applicable period of time. No such notice shall be deemed a termination of this Agreement unless the party giving notice so elects in this notice, or the party giving notice so elects in a subsequent written notice after the time to cure has expired. In the event of termination for default, County reserves the right to take over and complete the work by contract or by any other means.

- B. Bankruptcy: This Agreement, at the option of the County, shall be terminable in the case of bankruptcy, voluntary or involuntary, or insolvency of Contractor.
- C. Ceasing Performance: County may terminate this Agreement in the event Contractor ceases to operate as a business, or otherwise becomes unable to substantially perform any term or condition of this Agreement.
- D. Termination or Cancellation without Cause: County may terminate this Agreement in whole or in part upon seven (7) calendar days written notice by County without cause. If such prior termination is effected, County will pay for satisfactory services rendered prior to the effective dates as set forth in the Notice of Termination provided to Contractor, and for such other services, which County may agree to in writing as necessary for contract resolution. In no event, however, shall County be obligated to pay more than the total amount of the contract. Upon receipt of a Notice of Termination, Contractor shall promptly discontinue all services affected, as of the effective date of termination set forth in such Notice of Termination, unless the notice directs otherwise.

ARTICLE XII

Notice to Parties: All notices to be given by the parties hereto shall be in writing and served by depositing same in the United States Post Office, postage prepaid and return receipt requested. Notices to County shall be addressed as follows:

COUNTY OF EL DORADO
(Department Name)
(Address)
(City, State, Zip)
ATTN: (Name), (Title)

or to such other location as the County directs.

with a carbon copy to

COUNTY OF EL DORADO
Chief Administrative Office
Procurement and Contracts Division
360 Fair Lane
Placerville, CA 95667
ATTN: Purchasing Agent

Notices to Contractor shall be addressed as follows:

(COMPANY NAME)
(Address)
(City, State, Zip)
ATTN: (Name), (Title)

or to such other location as the Contractor directs.

ARTICLE XIII

Change of Address: In the event of a change in address for Contractor's principal place of business, Contractor's Agent for Service of Process, or Notices to Contractor, Contractor shall notify County in writing pursuant to the provisions contained in this Agreement under the Article titled "Notice to Parties". Said notice shall become part of this Agreement upon acknowledgment in writing by the County Contract Administrator, and no further amendment of the Agreement shall be necessary provided that such change of address does not conflict with any other provisions of this Agreement.

ARTICLE XIV

Indemnity: The Contractor shall defend, indemnify, and hold the County harmless against and from any and all claims, suits, losses, damages and liability for damages of every name, kind and description, including attorney's fees and costs incurred, brought for, or on account of, injuries to or death of any person, including but not limited to workers, County employees, and the public, or damage to property, or any economic or consequential losses, which are claimed to or in any way arise out of or are connected with the Contractor's services, operations, or performance

hereunder, regardless of the existence or degree of fault or negligence on the part of the County, the Contractor, subContractor(s) and employee(s) of any of these, except for the sole, or active negligence of the County, its officers and employees, or as expressly prescribed by statute. This duty of Contractor to indemnify and save County harmless includes the duties to defend set forth in California Civil Code Section 2778.

ARTICLE XV

Insurance: Contractor shall provide proof of a policy of insurance satisfactory to the County of El Dorado Risk Manager and documentation evidencing that Contractor maintains insurance that meets the following requirements:

- A. Full Worker's Compensation and Employer's Liability Insurance covering all employees of Contractor as required by law in the State of California.
- B. Commercial General Liability Insurance of not less than \$1,000,000.00 combined single limit per occurrence for bodily injury and property damage and a \$2,000,000.00 aggregate limit.
- C. Automobile Liability Insurance of not less than \$1,000,000.00 is required in the event motor vehicles are used by the Contractor in the performance of the Agreement.
- D. In the event Contractor is a licensed professional or professional consultant, and is performing professional services under this Agreement, professional liability is required with a limit of liability of not less than \$1,000,000.00 per occurrence.
- E. Contractor shall furnish a certificate of insurance satisfactory to the County of El Dorado Risk Manager as evidence that the insurance required above is being maintained.
- F. The insurance will be issued by an insurance company acceptable to Risk Management, or be provided through partial or total self-insurance likewise acceptable to Risk Management.
- G. Contractor agrees that the insurance required above shall be in effect at all times during the term of this Agreement. In the event said insurance coverage expires at any time or times during the term of this Agreement, Contractor agrees to provide at least thirty (30) days prior to said expiration date, a new certificate of insurance evidencing insurance coverage as provided for herein for not less than the remainder of term of the Agreement, or for a period of not less than one (1) year. New certificates of insurance are subject to the approval of Risk Management and Contractor agrees that no work or services shall be performed prior to the giving of such approval. In the event the Contractor fails to keep in effect at all times insurance coverage as herein provided, County may, in addition to any other remedies it may have, terminate this Agreement upon the occurrence of such event.
- H. The certificate of insurance must include the following provisions stating that:
 - 1. The insurer will not cancel the insured's coverage without prior written notice to County, and;
 - 2. The County of El Dorado, its officers, officials, employees and volunteers are included as additional insured on an additional insured endorsement, but only insofar as the operations under this Agreement are concerned. This provision shall apply to the general liability policy.

- I. The Contractor's insurance coverage shall be primary insurance as respects the County, its officers, officials, employees and volunteers. Any insurance or self-insurance maintained by the County, its officers, officials, employees or volunteers shall be in excess of the Contractor's insurance and shall not contribute with it.
- J. Any deductibles or self-insured retentions must be declared to and approved by the County, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the County, its officers, officials, employees and volunteers; or the Contractor shall procure a bond guaranteeing payment of losses and related investigations, claim administration and defense expenses.
- K. Any failure to comply with the reporting provisions of the policies shall not affect coverage provided to the County, its officers, officials, employees or volunteers.
- L. The insurance companies shall have no recourse against the County of El Dorado, its officers and employees or any of them for payment of any premiums or assessments under any policy issued by any insurance company.
- M. Contractor's obligations shall not be limited by the foregoing insurance requirements and shall survive expiration of this Agreement.
- N. In the event Contractor cannot provide an occurrence policy, Contractor shall provide insurance covering claims made as a result of performance of this Agreement for not less than three (3) years following completion of performance of this Agreement.
- O. Certificate of insurance shall meet such additional standards as may be determined by the contracting County Department either independently or in consultation with Risk Management, as essential for protection of the County.

ARTICLE XVI

Interest of Public Official: No official or employee of County who exercises any functions or responsibilities in review or approval of services to be provided by Contractor under this Agreement shall participate in or attempt to influence any decision relating to this Agreement which affects personal interest or interest of any corporation, partnership, or association in which he/she is directly or indirectly interested; nor shall any such official or employee of County have any interest, direct or indirect, in this Agreement or the proceeds thereof.

ARTICLE XVII

Interest of Contractor: Contractor covenants that Contractor presently has no personal interest or financial interest, and shall not acquire same in any manner or degree in either: 1) any other contract connected with or directly affected by the services to be performed by this Agreement; or, 2) any other entities connected with or directly affected by the services to be performed by this Agreement. Contractor further covenants that in the performance of this Agreement no person having any such interest shall be employed by Contractor.

ARTICLE XVIII

Conflict of Interest: The parties to this Agreement have read and are aware of the provisions of Government Code Section 1090 et seq. and Section 87100 relating to conflict of interest of public officers and employees.

Contractor attests that it has no current business or financial relationship with any County employee(s) that would constitute a conflict of interest with provision of services under this contract and will not enter into any such business or financial relationship with any such employee(s) during the term of this Agreement. County represents that it is unaware of any financial or economic interest of any public officer or employee of Contractor relating to this Agreement. It is further understood and agreed that if such a financial interest does exist at the inception of this Agreement either party may immediately terminate this Agreement by giving written notice as detailed in the Article in the Agreement titled, "Default, Termination and Cancellation".

ARTICLE XIX

Nondiscrimination:

- A. County may require Contractor's services on projects involving funding from various state and/or federal agencies, and as a consequence, Contractor shall comply with all applicable nondiscrimination statutes and regulations during the performance of this Agreement including but not limited to the following: Contractor and its employees and representatives shall not unlawfully discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical handicap, medical condition, marital status, age, or sex; Contractor shall, unless exempt, comply with the applicable provisions of the Fair Employment and Housing Act (Government Code, Sections 12900 et seq.) and applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Sections 7285.0 et seq.); the applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12990, set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations incorporated into this Agreement by reference and made a part hereof as if set forth in full; and Title VI of the Civil Rights Act of 1964, as amended. Contractor and its employees and representatives shall give written notice of their obligations under this clause as required by law.
- B. Where applicable, Contractor shall include these nondiscrimination and compliance provisions in any of its agreements that affect or are related to the services performed herein.
- C. Contractor's signature shall provide any certifications necessary under the federal laws, the laws of the State of California, including but not limited to Government Code Section 12990 and Title 2, California Code of Regulations, Section 8103.

ARTICLE XX

California Residency (Form 590): If Contractor is a California resident, Contractors must file a State of California Form 590, certifying its California residency or, in the case of a corporation, certifying that it has a permanent place of business in California. The Contractor will be required to submit a Form 590 prior to execution of an Agreement or County shall withhold seven (7) percent of each payment made to the Contractor during term of the Agreement. This requirement applies to any agreement/contract exceeding \$1,500.00.

ARTICLE XXI

Nonresident Withholding: If Contractor is not a California resident, Contractor shall provide documentation that the State of California has granted a withholding exemption or authorized reduced withholding prior to execution of this Agreement or County shall withhold seven (7%) percent of each payment made to the Contractor during term of the Agreement as required by law. This requirement applies to any agreement/contract exceeding \$1,500.00.

Contractor shall indemnify and hold the County harmless for any action taken by the California Franchise Tax Board.

ARTICLE XXII

Taxpayer Identification Number (Form W-9): All independent Contractors or corporations providing services to the County must file a Department of the Treasury Internal Revenue Service Form W-9, certifying their Taxpayer Identification Number.

ARTICLE XXIII

County Business License: It is unlawful for any person to furnish supplies or services, or transact any kind of business in the unincorporated territory of El Dorado County without possessing a County business license unless exempt under County Code Section 5.08.070.

ARTICLE XXIV

Licenses: Contractor hereby represents and warrants that Contractor and any of its subcontractors employed under this Agreement has all the applicable licenses, permits, and certifications that are legally required for Contractor and its subcontractors to practice its profession or provide the services or work contemplated under this Agreement in the State of California. Contractor and its subcontractors shall obtain or maintain said applicable licenses, permits, or certificates in good standing throughout the term of this Agreement.

ARTICLE XXV

Administrator: The County Officer or employee with responsibility for administering this Agreement is (name), (title), (department), or successor.

ARTICLE XXVI

Authorized Signatures: The parties to this Agreement represent that the undersigned individuals executing this Agreement on their respective behalf are fully authorized to do so by law or other appropriate instrument and to bind upon said parties to the obligations set forth herein.

ARTICLE XXVII

Partial Invalidity: If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will continue in full force and effect without being impaired or invalidated in any way.

ARTICLE XXVIII

Venue: Any dispute resolution action arising out of this Agreement, including, but not limited to, litigation, mediation, or arbitration, shall be brought in El Dorado County, California, and shall be resolved in accordance with the laws of the State of California.

ARTICLE XXIX

No Third Party Beneficiaries: Nothing in this Agreement is intended, nor will be deemed, to confer rights or remedies upon any person or legal entity not a party to this agreement.

ARTICLE XXX

Entire Agreement: This document and the documents referred to herein or exhibits hereto are the entire Agreement between the parties and they incorporate or supersede all prior written or oral Agreements or understandings.

Requesting Contract Administrator Concurrence:

By: _____
Name
Title
Department

Dated: _____

Requesting Department Head Concurrence:

By: _____
Name
Title
Department

Dated: _____

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates indicated below.

-- COUNTY OF EL DORADO --

By: _____ Dated: _____
Purchasing Agent
Chief Administrative Office
"County"

OR

-- COUNTY OF EL DORADO --

Dated: _____
By: _____
Chair
Board of Supervisors
"County"

ATTEST:
James S. Mitrison
Clerk of the Board of Supervisors

By: _____ Dated: _____
Deputy Clerk

-- CONTRACTOR --

IF CORPORATION, LLC, ETC.
(COMPANY NAME, INC.)
(A [NAME OF STATE] CORPORATION)
IF SOLE PROPRIETOR, ETC., DELETE THIS TEXT

By: _____

Name
Title
"Contractor"

Dated: _____

By: _____

Corporate Secretary

Dated: _____

(insert contract preparer's initials)

(insert purchasing assigned contract #)