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|  | **State of South Carolina**  **South Carolina Public Employee Benefit Authority**  **Request For Proposal**  **Amendment Number Four (4)** | Solicitation Number:  Date Issued:  Procurement Officer:  Phone:  E-Mail Address: | PEBA0122016  11/1/2016  David H. Quiat, CPPB  803.734.0602  [dquiat@peba.sc.gov](mailto:dquiat@peba.sc.gov) |

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| DESCRIPTION: **Client Services Vendor to Facilitate and Support Program Activities.** |

SUBMIT OFFER BY (Opening Date/Time):   **11/16/2016 3:00 PM**

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| *The Term "Offer" Means Your "Proposal". Your offer must be submitted in a sealed package. The Solicitation Number & Opening Date should appear on the package exterior. See the clause entitled "Submitting Your Offer or Modification."* |

SUBMIT YOUR SEALED OFFER TO EITHER OF THE FOLLOWING ADDRESSES:

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| --- | --- |
| MAILING ADDRESS:  South Carolina Public Employee Benefit Authority  P.O. Box 11960  Columbia, S.C. 29211-1960  Attention: David H. Quiat | PHYSICAL ADDRESS:  South Carolina Public Employee Benefit Authority  202 Arbor Lake Drive  Columbia, S.C. 29223  Attention: David H. Quiat |

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| --- | --- |
| AWARD & AMENDMENTS | Award will be posted on **12/12/2016.**  The award, this solicitation, any amendments, and any related notices will be posted at the following web address: <http://www.mmo.sc.gov/PS/PS-eip-solicitations.phtm> |

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| You must submit a signed copy of this form with Your Offer. By submitting a proposal, You agree to be bound by the terms of the Solicitation. You agree to hold Your Offer open for a minimum of one hundred twenty (120) calendar days after the Opening Date.    (See the clause entitled "Signing Your Offer.") | | |
| NAME OF OFFEROR      (Full legal name of business submitting the offer) | | Any award issued will be issued to, and the contract will be formed with, the entity identified as the Offeror. The entity named as the offeror must be a single and distinct legal entity. Do not use the name of a branch office or a division of a larger entity if the branch or division is not a separate legal entity, i.e., a separate corporation, partnership, sole proprietorship, etc. |
| AUTHORIZED SIGNATURE    (Person must be authorized to submit binding offer to contract on behalf of Offeror.) | |  |
| TITLE    (Business title of person signing above) | | STATE VENDOR NO.    (Register to obtain S.C. Vendor No. at www.procurement.sc.gov) |
| PRINTED NAME    (Printed name of person signing above) | DATE SIGNED | STATE OF INCORPORATION    (If you are a corporation, identify the state of incorporation.) |

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| OFFEROR'S TYPE OF ENTITY:   (Check one)                                                                   (See "Signing Your Offer" provision.)      \_\_\_ Sole Proprietorship                                  \_\_\_ Partnership                                  \_\_\_ Other\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_      \_\_\_ Corporate entity (not tax-exempt)          \_\_\_ Corporation (tax-exempt)            \_\_\_ Government entity (federal, state, or local) |

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**PAGE TWO**

**(Return Page Two with Your Offer)**

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| HOME OFFICE ADDRESS (Address for offeror's home office / principal place of business) | NOTICE ADDRESS (Address to which all procurement and contract related notices should be sent.)          \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Area Code  -  Number  -  Extension                    Facsimile    \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_  E-mail Address |

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| --- | --- |
| PAYMENT ADDRESS (Address to which payments will be sent.)            \_\_\_\_Payment Address same as Home Office Address  \_\_\_\_Payment Address same as Notice Address   **(check only one)** | ORDER ADDRESS (Address to which purchase orders will be sent)            \_\_\_\_Order Address same as Home Office Address  \_\_\_\_Order Address same as Notice Address   **(check only one)** |

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| ACKNOWLEDGMENT OF AMENDMENTS  Offerors acknowledges receipt of amendments by indicating amendment number and its date of issue. (See the clause entitled "Amendments to Solicitation") | | | | | | | |
| Amendment No. | Amendment Issue Date | Amendment No. | Amendment Issue Date | Amendment No. | Amendment Issue Date | Amendment No. | Amendment Issue Date |
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| DISCOUNT FOR PROMPT PAYMENT  (See the clause entitled "Discount for Prompt Payment") | 10 Calendar Days (%) | 20 Calendar Days (%) | 30 Calendar Days (%) | \_\_\_\_\_Calendar Days (%) |

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# Amendment Number Four (4)

**Client Services Vendor to Facilitate and Support Program Activities**

**Responses to Questions**

**Solicitation Number PEBA0122016**

# Written Responses to Questions

1. Amendment 2 (issued on 10/01/2014) to SC PEBA Solicitation number 5400008095 (issued on 08/22/2014), contained the following questions and answers:

1.   The Contractor shall not submit a proposal response for any procurement that results from this contract.

Does this clause prohibit us from submitting a proposal for future project oversight services such as development of solicitations for services defined in the High Level Roadmap, additional project management services if needed, or oversight of the Roadmap implementation?

State Response: Yes. The Contractor shall not respond to any procurement that results from this contract.

1. Will PEBA consider firm(s) hired to perform the assessment services under this RFP for subsequent phases such as future replacement of current technology solutions?

State Response: See response to Question #1.

1. With regard to Section E – General Requirements, Item 3 – Is the contractor allowed to submit a proposal for oversight project management work (or similar) that may arise from external or internal development of functionality identified in the plan?

State response: See response to Question #1.

Would the State please confirm that the winner of solicitation number 5400008095 issued on 08/22/2014 is not eligible to bid on this solicitation number PEBA0122016 issued on 09/16/2016?

**Response: Change Order #2 to Contract Number 5400008905, issued November 4, 2015, revised the following general requirements statement within the Scope of Work, Section III, Paragraph C – Operational Information Technology Systems Modernization Plan, Phase (III), as follows:**

**E. General Requirements**

**Item #3 - ~~The Contractor shall not submit a proposal response for any procurement that results from this contract.~~ This requirement is deleted. The following is revised to the Scope of Work; “The Contractor may submit a proposal response for any future procurements to include: procurement development and support, project management and oversight, and Independent Verification and Validation (IV&V).”**

**Amendment 2-Item #1 – question and the State’s response is hereby deleted from Amendment 2.**

**As such, the Contractor awarded a contract as a result of solicitation number 5400008095 is eligible to submit a proposal on this solicitation number PEBA0122016.**

1. Can we get the amendment(s) for solicitation 5400008095 that allows Linea to respond to the solicitation PEBA0122016? Also, can you tell us when and how this Amendment was published to the public?

**Response: An Amendment means a document issued to supplement the original solicitation document. A Change Order means any written alteration in specifications, delivery point, rate of delivery, period of performance, price, quantity, or other provisions of any contract accomplished by mutual agreement of the parties to the contract. A Change Order to Contract Number 5400008905 was issued to Linea Solutions, Inc. on November 4, 2015 (please see the response to question number 1).**

1. Is Linea disqualified to participate in the RFP since they completed the PEBA Operational System Modernization Roadmap?

**Response: No. Please see the response to question number 1.**

1. Part 2 – 2.1 Introduction – PEBA Operational Information Technology Systems – 2. Document Imaging and Management Systems - Page 19

The RFP states that both Retirement and Insurance currently image documents into a third party imaging systems. Is the State anticipating that the Client Services Vendor will write detailed Implementation Vendor RFP requirements to replace/improve the current document imaging solution and services?

**Response: Yes.**

1. Part 2 – 2.1 Introduction – PEBA Operational Information Technology Systems – 5. Call Center Phone System - Page 20

The RFP states the details of the current phone system. Is the State anticipating that the Client Services Vendor will write detailed Implementation Vendor RFP requirements to replace/improve the current phone system and services?

**Response: No, however, the Client Services Vendor will write requirements to integrate the new benefit administration system with the current phone system. Part 2 – 2.1 Introduction – PEBA Operational Information Technology Systems – 5. Call Center Phone System has been revised. Please see the amendments to the Request for Proposal, beginning on page 10 of this Amendment Number Four (4).**

1. Part 3 - 3.1 New Benefits Administration System Implementation Procurement - Pages 20-21

Does PEBA anticipate that multiple RFPs may be required for the system solution?

**Response: Yes, multiple RFPs may be required for the system solution.**

1. Solicitation Part 3, Section 3.2, Paragraph 3.2.2 states: “The Contractor shall have primary responsibility for business process design.”  Were there business process maps produced as requested in solicitation number 5400008095 issued on 08/22/2014?  If so, what business process design work remains to be done?

**Response: Yes, “as is” business process maps were produced for the existing system. All detailed business process design and maps for the new benefit administration system remains to be done.**

1. What, if any, new organizational structure with tentative roles and responsibilities was produced as a result of solicitation number 5400008095 issued on 08/22/2014?

**Response: Please see 1) PEBA Future State IT and ORD Demand Fulfillment and 2) PEBA Future State Organization Final, which have been posted to the following web address:** [**http://www.mmo.sc.gov/MMO/spo/MMO-eip-solicitations.phtm**](http://www.mmo.sc.gov/MMO/spo/MMO-eip-solicitations.phtm)**.**

1. As the SC PEBA Operational Assessment has been referenced in the RFP and such document provides and specifies a more specific and detailed level of effort for client services than that contained within the RFP, we have the following question that will allow us to better scope the project and ensure that PEBA gets comparative proposals from all vendors. Section 7 has a table identifying all program cost estimates. The line item titled “Client Services – Business/Test Support has an estimate of $4,250,000. We believe that amount represents a certain level of effort that PEBA is expecting to support the requirement identified in Section 3.3 of the RFP (Testing and Validation of the New Benefits Administration System). Since this is a large cost estimate for testing, please elaborate in greater detail if PEBA is looking for someone to plan all the testing activities, write test scripts, execute the test scripts and/or report the progress of testing.

**Response: The costs outlined in the Operational Assessment are estimates intended for PEBA planning purposes only. The line item titled “Client Services – Business/Test Support identifies a rolled up amount which represents work identified in Section 3.3 of the Request for Proposal and additional work identified in other sections of the Request for Proposal. The budget has not yet been approved for this program. Offerors should submit their most competitive proposal possible.**

1. Section 3.3.1 states Contractor will have primary responsibility for validation test planning. In most implementations, validation test planning is a responsibility of the implementation vendor.
   1. Please confirm PEBA desires this to be part of the responsibility of the client services vendor and not the implementation vendor.

**Response: Confirmed.**

* 1. Also, can you please elaborate on the scope?

**Response: The test planning responsibility for validation and acceptance testing specified in 3.3.1 may include, but is not necessarily limited to, business testing, operations testing, and security testing.**

1. Section 3.6.1. states “The Contractor shall assist PEBA with data sharing interfaces with external partners (i.e. Third Party Administrators, Employers, State Centralized Finance System).” Please clarify what type of assistance PEBA is expecting as it affects the scope (e.g. it could be assistance in planning and managing the process OR assistance in creating designing, specing developing and testing the interface files).

**Response: As regards 3.6, the Contractor shall assist PEBA in planning and managing the process.**

1. Section 3.8.1. states that the Contractor shall provide assistance with code reviews and evaluations. In order to scope this part correctly please elaborate more on what specifically PEBA is requiring of the Contractor in this regard.

**Response: The Contractor shall assist PEBA with project management oversight and best practice consulting.**

1. Section 5.2 – How were the labor classifications derived? May we use different ones?

**Response: Section 5.2, Business Proposal, has been revised. Please see the amendments to the Request for Proposal, beginning on page 10 of this Amendment Number Four (4).**

1. Can people participate at the bidders meeting by conference call?

**Response: A dial in number was published in Amendment Number 3.**

1. The Roadmap describes some limitations on what insurance functionality will be addressed during the first 5 years, could PEBA provide two lists, please:
   1. One for functionality and processes included

**Response: To design, develop, test and deploy a new system including the following business areas**

**Enrollment**

**Employer Reporting**

**CRM**

**Insurance Premiums**

**Retirement Claims (i.e. refunds, service retirement, disability retirement)**

**Benefit Estimates**

**Benefits Payroll**

**Deductions**

**Payee and Payment Maintenance**

**Benefit Adjustments (ex. life event changes)**

**COLAs**

**1099s**

**Tax Reporting**

**Deaths**

**Interfaces and Reports.**

* 1. Another for those functions and processes that are not to be addressed

**Response: Insurance Premium Billing and Accounting**

**Retirement general ledger and financial accounting.**

1. In the Business (Cost) evaluation section, there is lots of information on the detail about providing and scoring an **hourly rate**.  But nowhere are we to identify the level of effort so that PEBA may get a total cost.
   1. Is this being procured on a time and materials basis?

**Response: Section 5.2, Business Proposal, has been revised. Please see the amendments to the Request for Proposal, beginning on page 10 of this Amendment Number Four (4).**

* 1. Please clarify as the PEBA Operational System Modernization Roadmap has a budget for Client Services of approximately $9,000,000.

**Response: The costs outlined in the Operational Assessment are estimates intended for PEBA planning purposes only. The budget has not yet been approved for this program. Offerors should submit their most competitive proposal possible.**

* 1. We find it hard to believe that SC would score costing on purely an hourly rate and not take into consideration total cost (level of effort x rate).

**Response: Section 5.2, Business Proposal, has been revised. Please see the amendments to the Request for Proposal, beginning on page 10 of this Amendment Number Four (4).**

1. Section 5.1.2 – Subcontracting & Mandatory Minimum Qualification

* For clarification is “subcontractors” defined as all companies or individuals (including 1099 employees) that are proposed to provide services for this contract?

**Response: As stated in Part 1, Instructions to Offerors–A. General Instructions, 1.1 Definitions, Capitalization, and Headings, a Subcontractor means any person you contract with to perform or provide any part of the work.**

* Can subcontractor experience be used to meet the Part 4 Mandatory Minimum Qualifications?

**Response: No.**

* Can subcontractor firms or employees be defined as Key team members?

**Response: Yes.**

1. Section 5.1.6.d – Offeror’s Background, Experience, and Qualifications

In describing the Offeror’s recent experience, is “current staff” defined as W-2 employees of the Offeror, or the Offeror’s subsidiary?

**Response: Yes.**

1. Section 5.2 – How where the weightings per labor classifications derived?  Effectively PEBA is defining who they believe is doing the bulk of the work versus allowing the proposer to propose what is best for the delivery of the services. Please address this.

**Response: Section 5.2, Business Proposal, has been revised. Please see the amendments to the Request for Proposal, beginning on page 10 of this Amendment Number Four (4).**

1. Re Section 5.2: Will only the first 4 labor categories be used in scoring?

**Response: Section 5.2, Business Proposal, has been revised. Please see the amendments to the Request for Proposal, beginning on page 10 of this Amendment Number Four (4).**

1. Section 7.8 states – “…Contractor's price shall be fixed for the duration of this contract…”
   1. Please define price?

**Response: Price is the Contractor’s hourly rates. Section 7.9, Fixed Pricing Required, states: “Any pricing provided by Contractor shall include all costs for performing the work associated with that price. Except as otherwise provided in this solicitation, Contractor's price shall be fixed for the duration of this contract, including option terms.  This clause does not prohibit Contractor from offering lower pricing after award.”**

* 1. Is it hourly rate or fixed price?

**Response: Hourly rate. Hourly rates will be fixed for the initial three (3) year contract period.**

* 1. And if fixed price where do we propose that and how is it evaluated?

**Response: Please see the response to question number 21 b. Also, Section 5.2, Business Proposal, has been revised. Please see the amendments to the Request for Proposal, beginning on page 10 of this Amendment Number Four (4).**

1. Are a maximum of 10 points allocated to business proposal?

**Response: Section 5.2, Business Proposal, has been revised. Please see the amendments to the Request for Proposal, beginning on page 10 of this Amendment Number Four (4).**

1. What are the total points for all categories; we are not asking for the value of each category?

**Response: Proposals will be subjectively evaluated against one another using only the award criteria outlined in the Request for Proposal (listed in order of importance) and there will be adherence to weightings that have been assigned previously.**

1. We are writing to request clarification on – and express our concern with – sections 7.32 and 7.33. We have no issue with indemnifying those we are responsible for; it is others for which we have no control that makes it challenging to provide indemnification.

We respectfully request to move to a negligence standard, and to remove language exculpating the state from actions of its agents.

The sections in question are below. We included our changes in strikethrough and highlight:

**7.32 INDEMNIFICATION - THIRD PARTY CLAIMS - GENERAL (NOV 2011):** Notwithstanding any limitation in this agreement, and to the fullest extent permitted by law, Contractor shall defend and hold harmless Indemnitees for and against any and all suits or claims of any character (and all related damages, settlement payments, attorneys’ fees, costs, expenses, losses or liabilities) by a third party which are attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property ~~arising out of or in connection with the goods or services acquired hereunder or~~ caused in whole or in part by any negligent or wrongful act or omission of Contractor, its subcontractors, their employees, workmen, servants, agents, or anyone directly or indirectly employed by them or anyone for whose acts any of them may be liable, ~~regardless of whether or not caused in part by an Indemnitee~~, and whether or not such claims are made by a third party or an Indemnitee; however, if an Indemnitee’s negligent act or omission is subsequently determined to be the sole proximate cause of a suit or claim, the Indemnitee shall not be entitled to indemnification hereunder. Contractor shall be given timely written notice of any suit or claim. Contractor’s obligations hereunder are in no way limited by any protection afforded under workers’ compensation acts, disability benefits acts, or other employee benefit acts. This clause shall not negate, abridge, or reduce any other rights or obligations of indemnity which would otherwise exist. The obligations of this paragraph shall survive termination, cancelation, or expiration of the parties’ agreement. This provision shall be construed fairly and reasonably, neither strongly for nor against either party, and without regard to any clause regarding insurance. As used in this clause, “Indemnitees” means the State of South Carolina, its instrumentalities, agencies, departments, boards, political subdivisions and all their respective officers, agents and employees.

# 7.33 INDEMNIFICATION - THIRD PARTY CLAIMS – DISCLOSURE OF INFORMATION (FEB 2015): (a) Without limitation, Contractor shall defend and hold harmless Indemnitees from and against any and all suits, claims, investigations, or fines (hereinafter “action”) of any character (and all related damages, settlement payments, attorneys' fees, costs, expenses, losses or liabilities) by a third party which arise out of or in connection with a disclosure of government information (as defined in the clause titled Information Security - Definitions) caused in whole or in part by any act or omission of Contractor, its subcontractors at any tier, their employees, workmen, servants, agents, or anyone directly or indirectly employed by them or anyone for whose acts any of them may be liable, ~~regardless of whether or not caused in part by an Indemnitee~~, and whether or not such action is brought by a third party or an Indemnitee, but only if the act or omission constituted a failure to perform some obligation imposed by the contract or the law.

(b) Indemnitee must notify Contractor in writing within a reasonable period of time after Indemnitee first receives written notice of any action. Indemnitee's failure to provide or delay in providing such notice will relieve Contractor of its obligations under this clause only if and to the extent that such delay or failure materially prejudices Contractors ability to defend such action. Indemnitee must reasonably cooperate with Contractor's defense of such actions (such cooperation does not require and is without waiver of an Indemnitees attorney/client, work product, or other privilege) and, subject to Title 1, Chapter 7 of the South Carolina Code of Laws, allow Contractor sole control of the defense, so long as the defense is diligently and capably prosecuted. Indemnitee may participate in Contractor’s defense of any action at its own expense. Contractor may not, without Indemnitee’s prior written consent, settle, compromise, or consent to the entry of any judgment in any such commenced or threatened action unless such settlement, compromise or consent (i) includes an unconditional release of Indemnitee from all liability related to such commenced or threatened action, and (ii) is solely monetary in nature and does not include a statement as to, or an admission of fault, culpability or failure to act by or on behalf of, an Indemnitee or otherwise adversely affect an Indemnitee. Indemnitee’s consent is necessary for any settlement that requires Indemnitee to part with any right or make any payment or subjects Indemnitee to any injunction.

(c) Notwithstanding any other provision, Contractor’s obligations pursuant to this clause are without any limitation whatsoever. Contractor’s obligations under this clause shall survive the termination, cancellation, rejection, or expiration of the contract. This provision shall be construed fairly and reasonably, neither strongly for nor against either party, and without regard to any clause regarding insurance.

(d) "Indemnitee" means the State of South Carolina, its instrumentalities, agencies, departments, boards, political subdivisions and all their respective officers, agents and employees.

**Response: The requested revisions are not acceptable.**

1. Can you please provide a list of attendees and contact information?

**Response: No, a list of attendees and contact information will not be provided.**

1. Can you consider consolidating secretarial/clerical administration in the business proposal?

**Response: Section 5.2, Business Proposal, has been revised. Please see the amendments to the Request for Proposal, beginning on page 10 of this Amendment Number Four (4).**

1. What is the current budget and planned budgets for 2016-2017 and 2017-2018 for providing services as described in this RFP?

**Response: This information is unavailable.**

1. Would you consider a delay in submission of proposals?

**Response: No.**

1. Considering the indemnification clauses, can these be amended to reflect the scope of work?

**Response: Please see the response to question number 24.**

**Client Services Vendor to Facilitate and Support Program Activities**

**Solicitation Number PEBA0122016**

# Amendments to the Request for Proposal

**The Request for Proposal is amended as follows:**

* **Part 2, 2.1 Introduction, PEBA Operational Information Technology Systems, 5. Call Center Phone System, Page 20, shall be deleted in its entirety and replaced with the following:**

Call Center Phone System:  The current call center system is a cloud based VoIP solution based on Cisco technology. PEBA has four (4) call centers: Subscriber, Benefits Administrator, Retirement, and Insurance Accounting with approximately forty-five (45) representatives. The system has a customizable front end system to route calls based on the option selected and to add messages based on the time of year. Calls may be routed to outside contractors, internal message boxes, and agents within the call center(s).  Agents may be assigned to different skill levels to accept calls from multiple call centers at the same time. The system also allows supervisors to view calls in real time.

* **Part 5, Information For Offerors To Submit, 5.2 Business Proposal, page 28, shall be deleted in its entirety and replaced with the following:**

**5.2 BUSINESS PROPOSAL**

Offerors should provide their not-to-exceed hourly rates to be charged for all personnel positions specifically identified in 5.1.5 a. and b. who will be billed to PEBA during the term of this contract. The proposed hourly rates shall be inclusive of all costs (travel, meals, lodging, equipment, and any other related expenses) to provide client services as outlined in the scope of work. Hourly rates will be fixed for the initial three (3) year contract period. Offeror’s proposed hourly rates will not be an evaluation factor but will be utilized during the negotiation process.

* **Part 6, Award Criteria, page 30, shall be deleted in its entirety and replaced with the following:**

**PART 6**

**AWARD CRITERIA**

Award will be made to the highest ranked, responsive and responsible Offeror whose offer is determined to be the most advantageous to the State. Award will be made to one (1) Offeror.

Offers will be evaluated using the evaluation factors stated below. Evaluation factors are stated in the relative order of importance, with the first factor being the most important. Once evaluation is complete, all responsive Offerors will be ranked from most advantageous to least advantageous.

1. Offeror’s Approach (the evaluation panel will use the information submitted in response to Part 5, Information For Offerors To Submit, 5.1.4 Offeror’s Approach, (a) and (b) to evaluate this criterion. Each evaluation panel member will assign points to this criterion subjectively).
2. Offeror’s Approach to Staffing/Key Personnel (the evaluation panel will use the information submitted in response to Part 5, Information For Offerors To Submit, 5.1.5 Offeror’s Approach to Staffing/Key Personnel (a) and (b) to evaluate this criterion. Each evaluation panel member will assign points to this criterion subjectively).
3. Offeror’s Background, Experience and Qualifications. (the evaluation panel will use the information submitted in response to Part 5, Information For Offerors To Submit, 5.1.6 Offeror’s Background, Experience, and Qualifications (a) through (l) to evaluate this criterion. Each evaluation panel member will assign points to this criterion subjectively).

* **Part 7, Terms and Conditions – B. Special, 7.42 Price Adjustment - Limited, page 44, shall be deleted in its entirety and replaced with the following:**

**7.42** **PRICE ADJUSTMENT – LIMITED:** Hourly rates shall not be increased during the first three (3) years of the term of the contract. Upon approval of the Procurement Officer, hourly rates may be adjusted for years four/five (1/1/2020-12/31/2021) and/or years six/seven (1/1/2022-12/31/2023) of the term of the contract. Any request for an increase must be received by the Procurement Officer by June 30, 2019 for years four/five and by June 30, 2021 for years six/seven and must be accompanied by sufficient documentation to justify the increase. An increase must be executed as a change order.

* **Part 7, Terms and Conditions – B. Special, 7.48 Term of Contract – Effective Date, page 45, shall be deleted in its entirety and replaced with the following:**

**7.48** **TERM OF CONTRACT - EFFECTIVE DATE:**

Contract Term: January 3, 2017 through December 31, 2023.

The effective date of this contract is the first day of the Contract Term as specified on the final statement of award. Regardless, this contract expires no later than the last date stated on the final statement of award.