ADDENDUM 2

To: All Interested Proposers
From: Lucy Balderama, Administrative Assistant
Date: February 13, 2007
Subject: Bid# 07-005, Consultation, and/or Actuarial Services of Health & Dental Benefits for the County of El Paso

The Purchasing Department received questions relating to the above referenced proposal.

1. Please clarify the reason for requiring a 5% cashier's check or bid bond for proposals exceeding $100,000 at the time of submission of a proposal to do work. We are not familiar with this type of requirement. Is it necessary for these types of services?

   Required by Purchasing Agent as per Local Government Code.

2. How will the County handle this money (1) during the bidding process; and (2) after the bidding process is finished, will it be automatically refunded? Will it be reimbursed after the consultant's first invoice is submitted?

   The bonds or guarantees will be kept secure in the County Building until the proposal is awarded; all bid bonds and cashier's checks will be returned to the unsuccessful proposers. The bond or check of the successful proposer will be returned after a contract has been negotiated.

3. Could you clarify the meaning of Item # 10, under General Contract Conditions, in particular the statement that "the County reserves the right to accept a guarantee of less than the maximum fee if it is in the County's best interest".

   The County, in some purchases, may request a surety of less than the maximum amount; however, the County will state the exception prior in its bid specifications.