



JOE MANCHIN III
GOVERNOR

STATE OF WEST VIRGINIA
DEPARTMENT OF ADMINISTRATION
PURCHASING DIVISION
2019 WASHINGTON STREET, EAST
P.O. BOX 50130
CHARLESTON, WEST VIRGINIA 25305-0130

ROBERT W. FERGUSON, JR.
CABINET SECRETARY

DAVID TINCHER
DIRECTOR

December 21, 2006

RE: Request for Proposal #DEP13887

To Whom It May Concern:

Please note that due to the size and volume of the Technical Proposals they will not be scanned in full at this time. If you desire to see the Technical Proposals of said bidders, do not hesitate to contact me to make arrangements for viewing of the Technical Proposals. You can reach me at phone: (304) 558-2157, fax: (304) 558-4115, or e-mail me at cbowman@wvadmin.gov.

HayGroup, Inc.
Pinnacle Actuarial Resources, Inc.

Our address is:

2019 Washington Street, East
Charleston, WV 25305

Sincerely,

A handwritten signature in black ink, appearing to read "Chuck Bowman".

Chuck Bowman
Senior Buyer

cc: Purchase Order File



**Technical Proposal For
Department of Environmental Protection
RFP Number DEP13887**

Submitted by:

HayGroup

4301 N. Fairfax Drive, Suite 600

Arlington, VA 22203

(703) 841-3100

(703) 841-3108 (fax)

A handwritten signature in black ink, appearing to read "Edwin C. Husted", is written over a horizontal line.

Edwin C. Husted
Senior Vice President

12/18/06

Date



State of West Virginia

**Cost Proposal For
Department of Environmental Protection
RFP Number DEP13887**

Submitted by:

HayGroup

4301 N. Fairfax Drive, Suite 600

Arlington, VA 22203

(703) 841-3100

(703) 841-3108 (fax)

HayGroup

West Virginia Cost Proposal

We are pleased to present an all-inclusive fixed fee quote of \$163,810. The following tables provide the requested breakdown of cost by task as well as distribution of work by staff. Due to the complex nature of the work, a large percentage of the work must be performed by fully qualified actuaries.

#DEP 13887 Cost Proposal Format/Bid Sheet

| |
|-------------------------|
| Name of Proposing Firm: |
| Hay Group, Inc. |

| Task | Total Proposed Cost |
|---|---------------------|
| Entrance Conference (3.7.a) | \$8,720 |
| Actuarial Report (3.7.b 1-7) | \$103,860 |
| Physical and Electronic copies of work papers (3.7.c) | \$4,360 |
| Three (3) on-site consultations (3.7.d) | \$32,700 |
| Exit conference (3.7.e) | \$8,720 |
| Monthly status reports (3.7.f) | \$5,450 |
| Grand Total | \$163,810 |

*Hourly Rates and Projected Work Distribution Among Assigned Staff

| Assigned Staff | Hourly Rate | Projected Distribution |
|----------------------|-------------|------------------------|
| Partner | | |
| Senior Actuary | \$545 | 85% |
| Staff Actuary | | |
| Actuary Assistant | \$235 | 15% |
| Administrative Staff | \$60 | Less than 1% |
| Clerical Staff | | |
| Total | | 100% |

The hourly rates listed are considered firm for Fiscal year 2006 and FY 2007, and are for the purposes of submitting progress payment request ONLY. Ancillary expenses (travel, meals, lodging, etc.) are to be included in the Total Proposed Cost and proposed hourly rates.