

AGREEMENT FOR
INSURANCE BROKER AND RELATED CONSULTING SERVICES

City of Glendale Solicitation No. RFP 16-41

This Agreement for Property and Casualty Insurance Brokerage and Safety and Loss Control related services ("Agreement") is effective and entered into between CITY OF GLENDALE, an Arizona municipal corporation ("City"), and Alliant Insurance Services, Inc., a Delaware corporation, authorized to do business in Arizona, (the "Contractor"), as of the 24 day of May, 2016.

RECITALS

- A. City intends to undertake a project for the benefit of the public and with public funds that is more fully set forth in **Exhibit A**, pursuant to Solicitation No. RFP 16-41 (the "Project");
- B. City desires to retain the services of Contractor to perform those specific duties and produce the specific work as set forth in the Project attached hereto;
- C. City and Contractor desire to memorialize their agreement with this document.

AGREEMENT

In consideration of the Recitals, which are confirmed as true and correct and incorporated by this reference, the mutual promises and covenants contained in this Agreement, and other good and valuable consideration, City and Contractor agree as follows:

1. Key Personnel; Sub-contractors.

1.1 Services. Contractor will provide all services necessary to assure the Project is completed timely and efficiently consistent with Project requirements, including, but not limited to, working in close interaction and interfacing with City and its designated employees, and working closely with others, including other contractors or consultants, retained by City.

1.2 Project Team.

a. Project Manager.

- (1) Contractor will designate an employee as Project Manager with sufficient training, knowledge, and experience to, in the City's option, complete the Project and handle all aspects of the Project such that the work produced by Contractor is consistent with applicable standards as detailed in this Agreement;
- (2) The City must approve the designated Project Manager; and
- (3) To assure the Project schedule is met, Project Manager may be required to devote no less than a specific amount of time as set out in Exhibit A.

b. Project Team.

- (1) The Project Manager and all other employees assigned to the project by Contractor will comprise the "Project Team."
- (2) Project Manager will have responsibility for and will supervise all other employees assigned to the Project by Contractor.

c. Discharge, Reassign, Replacement.

- (1) Contractor acknowledges the Project Team is comprised of the same persons and roles for each as may have been identified in the response to the Project's solicitation.

- (2) Contractor will not discharge, reassign or replace or diminish the responsibilities of any of the employees assigned to the Project who have been approved by City without City's prior written consent unless that person leaves the employment of Contractor, in which event the substitute must first be approved in writing by City.
- (3) Contractor will change any of the members of the Project Team at the City's request if an employee's performance does not equal or exceed the level of competence that the City may reasonably expect of a person performing those duties or if the acts or omissions of that person are detrimental to the development of the Project.

d. Sub-contractors.

- (1) Contractor may engage specific technical contractor (each a "Sub-contractor") to furnish certain service functions.
- (2) Contractor will remain fully responsible for Sub-contractor's services.
- (3) Sub-contractors must be approved by the City, unless the Sub-contractor was previously mentioned in the response to the solicitation.
- (4) Contractor shall certify by letter that contracts with Sub-contractors have been executed incorporating requirements and standards as set forth in this Agreement.

2. **Schedule.** The services will be undertaken in a manner that ensures the Project is completed timely and efficiently in accordance with the Project.

3. **Contractor's Work.**

3.1 Standard. Contractor must perform services in accordance with the standards of due diligence, care, and quality prevailing among contractors having substantial experience with the successful furnishing of services for projects that are equivalent in size, scope, quality, and other criteria under the Project and identified in this Agreement.

3.2 Licensing. Contractor warrants that:

- a. Contractor and Sub-contractors will hold all appropriate and required licenses, registrations and other approvals necessary for the lawful furnishing of services ("Approvals"); and
- b. Neither Contractor nor any Sub-contractor has been debarred or otherwise legally excluded from contracting with any federal, state, or local governmental entity ("Debarment").
 - (1) City is under no obligation to ascertain or confirm the existence or issuance of any Approvals or Debarments or to examine Contractor's contracting ability.
 - (2) Contractor must notify City immediately if any Approvals or Debarment changes during the Agreement's duration and the failure of the Contractor to notify City as required will constitute a material default under the Agreement.

3.3 Compliance. Services will be furnished in compliance with applicable federal, state, county and local statutes, rules, regulations, ordinances, building codes, life safety codes, and other standards and criteria designated by City.

Contractor must not discriminate against any employee or applicant for employment on the basis of race, color, religion, sex, national origin, age, marital status, sexual orientation, gender identity or expression, genetic characteristics, familial status, U.S. military veteran status or any disability. Contractor will require any Sub-contractor to be bound to the same requirements as stated within this section. Contractor, and on behalf of any subcontractors, warrants compliance with this section.

3.4 Coordination; Interaction.

- a. For projects that the City believes requires the coordination of various professional services, Contractor will work in close consultation with City to proactively interact with any other professionals retained by City on the Project ("Coordinating Project Professionals").
- b. Subject to any limitations expressly stated in the Project Budget, Contractor will meet to review the Project, Schedule, Project Budget, and in-progress work with Coordinating Project Professionals and City as often and for durations as City reasonably considers necessary in order to ensure the timely work delivery and Project completion.
- c. For projects not involving Coordinating Project Professionals, Contractor will proactively interact with any other contractors when directed by City to obtain or disseminate timely information for the proper execution of the Project.

3.5 Work Product.

- a. Ownership. Upon receipt of payment for services furnished, Contractor grants to City, and will cause its Sub-contractors to grant to the City, the exclusive ownership of and all copyrights, if any, to evaluations, reports, drawings, specifications, project manuals, surveys, estimates, reviews, minutes, all "architectural work" as defined in the United States Copyright Act, 17 U.S.C § 101, *et seq.*, and other intellectual work product as may be applicable ("Work Product"). Notwithstanding the foregoing, City acknowledges that Contractor, in performing the services, may use patented and copyrighted materials, trade secrets, proprietary data, know-how, ideas, concepts, methodologies, practices, processes, procedures, techniques and written materials of Contractor that existed prior to the commencement of the services, and City agrees that Contractor shall retain all right, title and interest in and to such items; provided, however, that Contractor hereby grants City a non-exclusive, non-assignable, perpetual, royalty-free license to use such items that are embedded in the work product and are required for City's own internal use of the work product.
 - (1) This grant is effective whether the Work Product is on paper (*e.g.*, a "hard copy"), in electronic format, or in some other form.
 - (2) Contractor warrants, and agrees to indemnify, hold harmless and defend City for, from and against any claim that any Work Product infringes on third-party proprietary interests.
- b. Delivery. Contractor will deliver to City copies of the preliminary and completed Work Product promptly as they are prepared.
- c. City Use.
 - (1) City may reuse the Work Product at its sole discretion.
 - (2) In the event the Work Product is used for another project without further consultations with Contractor, the City agrees to indemnify and hold Contractor harmless from any claim arising out of the Work Product.
 - (3) In such case, City shall also remove any seal and title block from the Work Product.

4. **Compensation for the Project.**

- 4.1 Compensation. Contractor's compensation for the Project, including those furnished by its Sub-contractors, will be for the initial term plus any renewal terms up to a total of five years. For the five-year term of the Project, the compensation will not exceed: (a) \$298,000 for Property and Casualty Brokerage service fees; (b) a maximum of \$75,000 as compensation earned as a 10% commission on the cost of new or additional policies not identified in Section 2.2 of the RFP; and

(c) \$341,000 as compensation for Safety and Loss Control Consulting Services. The total amount of compensation for all services for the entire term of this Agreement (*i.e.*, the initial term and any renewal terms) shall not exceed **\$714,000**, as specifically detailed in **Exhibit B** (the "Compensation").

4.2 Change in Scope of Project. The Compensation may be equitably adjusted if the originally contemplated scope of services as outlined in the Project is significantly modified.

- a. Adjustments to the Compensation require a written amendment to this Agreement and may require City Council approval.
- b. Additional services which are outside the scope of the Project contained in this Agreement may not be performed by the Contractor without prior written authorization from the City.
- c. Notwithstanding the incorporation of the Exhibits to this Agreement by reference, should any conflict arise between the provisions of this Agreement and the provisions found in the Exhibits and accompanying attachments, the provisions of this Agreement shall take priority and govern the conduct of the parties.

5. **Billings and Payment.**

5.1 Applications.

- a. Contractor will submit monthly invoices (each, a "Payment Application") to City's Project Manager and City will remit payments based upon the Payment Application as stated below.
- b. The period covered by each Payment Application will be one calendar month ending on the last day of the month or as specified in the solicitation.

5.2 Payment.

- a. After a full and complete Payment Application is received, City will process and remit payment within 30 days.
- b. Payment may be subject to or conditioned upon City's receipt of:
 - (1) Completed work generated by Contractor and its Sub-contractors; and
 - (2) Unconditional waivers and releases on final payment from Sub-contractors as City may reasonably request to assure the Project will be free of claims arising from required performances under this Agreement.

5.3 Review and Withholding. City's Project Manager will timely review and certify Payment Applications.

- a. If the Payment Application is rejected, the Project Manager will issue a written listing of the items not approved for payment.
- b. City may withhold an amount sufficient to pay expenses that City reasonably expects to incur in correcting the deficiency or deficiencies rejected for payment. Contractor may pursue available legal and equitable remedies to recover payments due.

6. **Termination.**

6.1 For Convenience. City may terminate this Agreement for convenience, without cause, by delivering a written termination notice stating the effective termination date, which may not be less than 30 days following the date of delivery.

- a. Contractor will be equitably compensated for Goods or Services furnished prior to receipt of the termination notice and for reasonable costs incurred.

- b. Contractor will also be similarly compensated for any approved effort expended and approved costs incurred that are directly associated with project closeout and delivery of the required items to the City.
- c. Nothing in this Agreement limits Contractor's or the City's right to pursue available legal and equitable remedies to recover payments or refunds due.

6.2 For Cause. City may terminate this Agreement for cause if Contractor fails to cure any breach of this Agreement within seven days after receipt of written notice specifying the breach.

- a. Contractor will not be entitled to further payment until after City has determined its damages. If City's damages resulting from the breach, as determined by City, are less than the equitable amount due but not paid Contractor for Service furnished, City will pay the amount due to Contractor, less City's damages, in accordance with the provision of Section 5.
- b. If City's direct damages exceed amounts otherwise due to Contractor, Contractor must pay the difference to City immediately upon demand; however, Contractor will not be subject to consequential damages of more than \$1,000,000 or the amount of this Agreement, whichever is greater.
- c. Nothing in this Agreement limits Contractor's right to dispute the City's claims or damages, or otherwise pursue available legal and equitable remedies to recover payments due.

7. **Conflict.** Contractor acknowledges this Agreement is subject to A.R.S. § 38-511, which allows for cancellation of this Agreement in the event any person who is significantly involved in initiating, negotiating, securing, drafting, or creating the Agreement on City's behalf is also an employee, agent, or consultant of any other party to this Agreement.

8. **Insurance.**

8.1 Requirements. Contractor must obtain and maintain the following insurance ("Required Insurance"):

- a. Contractor and Sub-contractors. Contractor, and each Sub-contractor performing work or providing materials related to this Agreement must procure and maintain the insurance coverages described below (collectively referred to herein as the "Contractor's Policies"), until each Party's obligations under this Agreement are completed.
- b. Commercial General Liability – Occurrence Form. Policy shall include bodily injury, property damage and broad form contractual liability coverage.

General Aggregate	\$2,000,000
Products – Completed Operations Aggregate	\$1,000,000
Personal and Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000

Policy shall be endorsed to include the following additional insured language: "The City of Glendale shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of the Contractor".

- c. Automobile Liability. Contractor should have automobile insurance covering, Code 1 (any auto), or if Contractor has no owned autos, Code 8 (hired) and 9 (non-owned), with limit no less than **\$1,000,000** per accident for bodily injury and property damage.
- d. Workers' Compensation and Employer's Liability. A workers' compensation and employer's liability policy providing at least the minimum benefits required by Arizona law.

Each Accident	\$100,000
Disease – Each Employee	\$100,000
Disease – Policy Limit	\$500,000

Policy shall contain a waiver of subrogation against the City of Glendale.

This requirement shall not apply when a contractor or subcontractor is exempt under A.R.S. 23-901, AND when such contractor or subcontractor executes the appropriate sole proprietor waiver form.

- e. Professional Liability (Errors and Omissions Liability). Broker's policy shall cover professional misconduct or lack of ordinary skill in performing the services defined in the Scope of Services of this Agreement.

Each Claim	\$2,000,000
Annual Aggregate	\$2,000,000

Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed.

- f. Technology Errors and Omissions Liability. This policy shall cover errors and omissions, product failure, security failure, professional liability and personal injury for those positions as defined in the Scope of Services of this Agreement.

Each Claim	\$1,000,000
Annual Aggregate	\$1,000,000

In the event that this insurance is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed.

- g. Notice of Changes. Contractor's Policies must provide for not less than 30 days' advance written notice to City Representative of:

- (1) Cancellation or termination of Contractor or Sub-contractor's Policies;
- (2) Reduction of the coverage limits of any of Contractor or and Sub-contractor's Policies; and
- (3) Any other material modification of Contractor or Sub-contractor's Policies related to this Agreement.

- h. Certificates of Insurance.

- (1) Within 10 business days after the execution of the Agreement, Contractor must deliver to City Representative certificates of insurance for each of Contractor and Subcontractor's Policies, which will confirm the existence or issuance of Contractor and Subcontractor's Policies in accordance with the provisions of this section, and copies of the endorsements of Contractor and Sub-contractor's Policies in accordance with the provisions of this section.
- (2) City is and will be under no obligation either to ascertain or confirm the existence or issuance of Contractor and Subcontractor's Policies, or to examine Contractor and Subcontractor's Policies, or to inform Contractor or Subcontractor in the event that any coverage does not comply with the requirements of this section.
- (3) Contractor's failure to secure and maintain Contractor Policies and to assure Subcontractor policies as required will constitute a material default under the Agreement.

- i. Other Contractors or Vendors.
 - (1) Other contractors or vendors that may be contracted with in connection with the Project must procure and maintain insurance coverage as is appropriate to their particular contract.
 - (2) This insurance coverage must comply with the requirements set forth above for Contractor's Policies (e.g., the requirements pertaining to endorsements to name the parties as additional insured parties and certificates of insurance).
- j. Policies. Except with respect to workers' compensation and employer's liability coverages, City must be named and properly endorsed as additional insureds on all liability policies required by this section.
 - (1) The coverage extended to additional insureds must be primary and must not contribute with any insurance or self insurance policies or programs maintained by the additional insureds.
 - (2) All insurance policies obtained pursuant to this section must be with companies legally authorized to do business in the State of Arizona and reasonably acceptable to all parties.

8.2 Subcontractors.

- a. Contractor must also cause its Subcontractors to obtain and maintain the Required Insurance.
- b. City may consider waiving these insurance requirements for a specific Subcontractor if City is satisfied the amounts required are not commercially available to the Sub-contractor and the insurance the Subcontractor does have is appropriate for the Subcontractor's work under this Agreement.
- c. Contractor and Subcontractors must provide to the City proof of the Required Insurance whenever requested.

8.3 Indemnification.

- a. To the fullest extent permitted by law, Contractor must defend, indemnify, and hold harmless City and its elected officials, officers, employees and agents (each, an "Indemnified Party," collectively, the "Indemnified Parties"), for, from, and against any and all claims, demands, actions, damages, judgments, settlements, personal injury (including sickness, disease, death, and bodily harm), property damage (including loss of use), infringement, governmental action and all other losses and expenses, including attorneys' fees and litigation expenses (each, a "Demand or Expense"; collectively, "Demands or Expenses") asserted by a third-party (*i.e.*, a person or entity other than City or Contractor) and that arises out of or results from the breach of this Agreement by the Contractor or the Contractor's negligent actions, errors or omissions (including any Subcontractor or other person or firm employed by Contractor), whether sustained before or after completion of the Project.
- b. This indemnity and hold harmless provision applies even if a Demand or Expense is in part due to the Indemnified Party's negligence or breach of a responsibility under this Agreement, but in that event, Contractor shall be liable only to the extent the Demand or Expense results from the negligence or breach of a responsibility of Contractor or of any person or entity for whom Contractor is responsible.
- c. Contractor is not required to indemnify any Indemnified Parties for, from, or against any Demand or Expense resulting from the Indemnified Party's sole negligence or other fault solely attributable to the Indemnified Party.

9. Immigration Law Compliance.

- 9.1 Contractor, and on behalf of any subcontractor, warrants, to the extent applicable under A.R.S. § 41-4401, compliance with all federal immigration laws and regulations that relate to their employees as well as compliance with A.R.S. § 23-214(A) which requires registration and participation with the E-Verify Program.
- 9.2 Any breach of warranty under subsection 9.1 above is considered a material breach of this Agreement and is subject to penalties up to and including termination of this Agreement.
- 9.3 City retains the legal right to inspect the papers of any Contractor or subcontractor employee who performs work under this Agreement to ensure that the Contractor or any subcontractor is compliant with the warranty under subsection 9.1 above.
- 9.4 City may conduct random inspections, and upon request of City, Contractor shall provide copies of papers and records of Contractor demonstrating continued compliance with the warranty under subsection 9.1 above. Contractor agrees to keep papers and records available for inspection by the City during normal business hours and will cooperate with City in exercise of its statutory duties and not deny access to its business premises or applicable papers or records for the purposes of enforcement of this section.
- 9.5 Contractor agrees to incorporate into any subcontracts under this Agreement the same obligations imposed upon Contractor and expressly accrue those obligations directly to the benefit of the City. Contractor also agrees to require any subcontractor to incorporate into each of its own subcontracts under this Agreement the same obligations above and expressly accrue those obligations to the benefit of the City.
- 9.6 Contractor's warranty and obligations under this section to the City is continuing throughout the term of this Agreement or until such time as the City determines, in its sole discretion, that Arizona law has been modified in that compliance with this section is no longer a requirement.
- 9.7 The "E-Verify Program" above means the employment verification program administered by the United States Department of Homeland Security, the Social Security Administration, or any successor program.

10. Notices.

- 10.1 A notice, request or other communication that is required or permitted under this Agreement (each a "Notice") will be effective only if:
- a. The Notice is in writing; and
 - b. Delivered in person or by overnight courier service (delivery charges prepaid), certified or registered mail (return receipt requested); and
 - c. Notice will be deemed to have been delivered to the person to whom it is addressed as of the date of receipt, if:
 - (1) Received on a business day, or before 5:00 p.m., at the address for Notices identified for the Party in this Agreement by U.S. Mail, hand delivery, or overnight courier service on or before 5:00 p.m.; or
 - (2) As of the next business day after receipt, if received after 5:00 p.m.
 - d. The burden of proof of the place and time of delivery is upon the Party giving the Notice; and
 - e. Digitalized signatures and copies of signatures will have the same effect as original signatures.

10.2 Representatives.

- a. Contractor. Contractor's representative (the "Contractor's Representative") authorized to act on Contractor's behalf with respect to the Project, and his or her address for Notice delivery is:

Alliant Insurance Services, Inc.
c/o Christine Tobin, Senior Vice President
1301 Dove Street, Suite 200
Newport Beach, CA 92660

- b. City. City's representative ("City's Representative") authorized to act on City's behalf, and his or her address for Notice delivery is:

City of Glendale
c/o Dianne Shoemake, Risk Manager, Risk Management Division
5850 West Glendale Avenue, B56
Glendale, Arizona 85301
623-930-2856

With required copy to:

City Manager
City of Glendale
5850 West Glendale Avenue
Glendale, Arizona 85301

City Attorney
City of Glendale
5850 West Glendale Avenue
Glendale, Arizona 85301

- c. Concurrent Notices.

- (1) All notices to City's representative must be given concurrently to City Manager and City Attorney.
- (2) A notice will not be deemed to have been received by City's representative until the time that it has also been received by City Manager and City Attorney.
- (3) City may appoint one or more designees for the purpose of receiving notice by delivery of a written notice to Contractor identifying the designee(s) and their respective addresses for notices.

- d. Changes. Contractor or City may change its representative or information on Notice, by giving Notice of the change in accordance with this section at least ten days prior to the change.

11. Financing Assignment. City may assign this Agreement to any City-affiliated entity, including a non-profit corporation or other entity whose primary purpose is to own or manage the Project.

12. Entire Agreement; Survival; Counterparts; Signatures.

12.1 Integration. This Agreement contains, except as stated below, the entire agreement between City and Contractor and supersedes all prior conversations and negotiations between the parties regarding the Project or this Agreement.

- a. Neither Party has made any representations, warranties or agreements as to any matters concerning the Agreement's subject matter.
- b. Representations, statements, conditions, or warranties not contained in this Agreement will not be binding on the parties.
- c. The solicitation, any addendums and the response submitted by the Contractor are incorporated into this Agreement as if attached hereto. Any Contractor response modifies the original solicitation as stated. Inconsistencies between the solicitation, any addendums

and the response or any excerpts attached as Exhibit A and this Agreement will be resolved by the terms and conditions stated in this Agreement.

12.2 Interpretation.

- a. The parties fairly negotiated the Agreement's provisions to the extent they believed necessary and with the legal representation they deemed appropriate.
- b. The parties are of equal bargaining position and this Agreement must be construed equally between the parties without consideration of which of the parties may have drafted this Agreement.
- c. The Agreement will be interpreted in accordance with the laws of the State of Arizona.

12.3 Survival. Except as specifically provided otherwise in this Agreement, each warranty, representation, indemnification and hold harmless provision, insurance requirement, and every other right, remedy and responsibility of a Party, will survive completion of the Project, or the earlier termination of this Agreement.

12.4 Amendment. No amendment to this Agreement will be binding unless in writing and executed by the parties. Any amendment may be subject to City Council approval. Electronic signature blocks do not constitute execution.

12.5 Remedies. All rights and remedies provided in this Agreement are cumulative and the exercise of any one or more right or remedy will not affect any other rights or remedies under this Agreement or applicable law.

12.6 Severability. If any provision of this Agreement is voided or found unenforceable, that determination will not affect the validity of the other provisions, and the voided or unenforceable provision will be deemed reformed to conform to applicable law.

12.7 Counterparts. This Agreement may be executed in counterparts, and all counterparts will together comprise one instrument.

13. **Term.** The term of this Agreement commences upon the Effective Date and continues for a one (1)-year initial period. The City may, at its option and with the approval of the Contractor, extend the term of this Agreement an additional four (4) years, renewable on an annual basis. Contractor will be notified in writing by the City of its intent to extend the Agreement period at least thirty (30) calendar days prior to the expiration of the original or any renewal Agreement period. Price adjustments will only be reviewed during the Agreement renewal period and any such price adjustment will be a determining factor for any renewal. There are no automatic renewals of this Agreement.

14. **Dispute Resolution.** Each claim, controversy and dispute (each a "Dispute") between Contractor and City will be resolved in accordance with Exhibit C. The final determination will be made by the City.

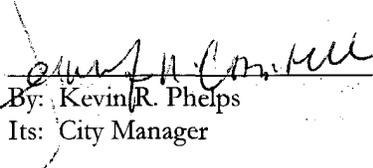
15. **Exhibits.** The following exhibits, with reference to the term in which they are first referenced, are incorporated by this reference.

- Exhibit A Project
- Exhibit B Compensation
- Exhibit C Dispute Resolution

(Signatures appear on the following page.)

The parties enter into this Agreement as of the effective date shown above.

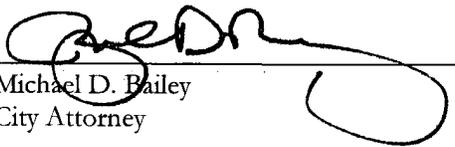
City of Glendale,
an Arizona municipal corporation


By: Kevin R. Phelps
Its: City Manager

ATTEST:


City Clerk (SEAL)

APPROVED AS TO FORM:


Michael D. Bailey
City Attorney

Alliant Insurance Services, Inc.,
a Delaware corporation, authorized to do business in the
State of Arizona

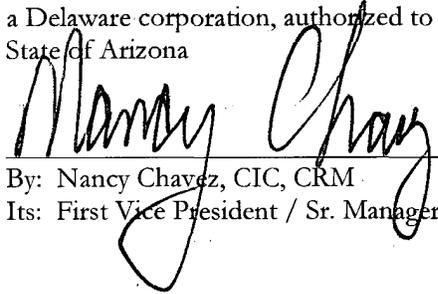

By: Nancy Chavez, CIC, CRM
Its: First Vice President / Sr. Manager, Operations

EXHIBIT A
Request for Proposal 16-37
Insurance Broker and Related Consulting Services
PROJECT

The Contractor shall provide property and casualty insurance brokerage (insurance placement) and related services as stated in Section 3.2 and safety and loss control services as stated in Section 3.3 of RFP 16-41 Scope of Work and consistent with the contractor's response to the RFP. RFP 16-41 and the Contractor's response are attached and considered as part of this contract.



CITY OF GLENDALE MATERIALS MANAGEMENT REQUEST FOR PROPOSAL

SOLICITATION NUMBER: RFP 16-41

DESCRIPTION: INSURANCE BROKER AND RELATED CONSULTING SERVICES

PUBLISHED DATE: MARCH 10, 2016

OFFER DUE DATE AND TIME: MARCH 30, 2016, 2:00 PM (Local Time)

SUBMITTAL LOCATION: City of Glendale
Materials Management
5850 West Glendale Avenue, Suite 317
Glendale, Arizona 85301

Proposals must be in the actual possession of Materials Management on or prior to the time and date, and at the location indicated. Materials Management is located on the third (3rd) floor of the Glendale Municipal Office Complex (City Hall) in the Engineering Department. Proposals are accepted from the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, unless otherwise indicated for a holiday. All proposals will be received and time/date stamped at the Engineering Department's window. Late proposals will not be considered.

Proposals must be submitted in a sealed envelope with the Solicitation Number and the Offeror's name and address clearly indicated on the envelope. See **Section 4.2 for additional instructions for preparing an offer.**

Proposals shall be opened publicly at the time, place and location designated on this page. Only the name of each Offeror shall be publicly read and recorded. All other information contained in the proposals shall be confidential so as to avoid disclosure of contents prejudicial to competing Offerors.

OFFERORS ARE STRONGLY ENCOURAGED TO CAREFULLY READ THE ENTIRE SOLICITATION.

For questions regarding this solicitation contact:
Crista Clevenger, Contract Analyst
(623) 930-2865
CClevenger@glendaleaz.com



**City of Glendale
Materials Management
Solicitation Number: RFP 16-41
INSURANCE BROKER AND RELATED
CONSULTING SERVICES**

**CITY OF GLENDALE
Materials Management
5850 West Glendale
Avenue, Suite 317
Glendale, Arizona 85301**

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**City of Glendale
Materials Management
Solicitation Number: RFP 16-41
INSURANCE BROKER AND RELATED
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**CITY OF GLENDALE
Materials Management
5850 West Glendale
Avenue, Suite 317
Glendale, Arizona 85301**

1.0 INTRODUCTION

1.1 The City of Glendale invites proposals for Insurance Broker Services and safety/loss control consulting services ("Services"). This RFP covers two categories of Services:

- A. Property and Casualty insurance placement and related services, as more fully defined in Scope of Work; and
- B. Safety/Loss Control Consulting Services on an as-needed basis to assist the City in safety and loss control matters as more fully defined in the, Scope of Work.

1.2 The City may choose to enter into contracts with one or more qualified proposers to provide services in one or both of the two categories.

2.0 OVERVIEW

The City of Glendale, Arizona is the fifth largest city in the state with a population of approximately 234,000 people. Located in the northwestern part of the metropolitan Phoenix area and occupying approximately 59 square miles of land, the City is home to the Arizona Cardinals and the Arizona Coyotes. The City is also the owner of Camelback Ranch, the spring training facility for the Los Angeles Dodgers and the Chicago White Sox.

The City was incorporated in 1910 and has operated under the council-manager form of government since its incorporation. Policy-making and legislative authority are vested in the City Council which consists of the Mayor and six other members. The City Council is responsible for, among other things, passing ordinances, adopting the budget, appointing committees and hiring the City Manager, Clerk, Attorney, Municipal Judge and City Auditor (Internal). The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the City, and for appointing the heads of the various departments. The Council is elected on a non-partisan basis. Council members serve four-year terms, with three Council members elected every two years. The Mayor is elected to serve a four-year term.

The City provides a full range of services including police and fire protection, water, sewer and sanitation services, the construction and maintenance of highways, streets, public facilities and other infrastructure, recreational activities and cultural events. Certain housing services are provided by the City's public housing authority, which functions, in essence as a department of the City. The City is also financially accountable for two legally separate entities – the Municipal Property Corporation and Western Loop 101 Public Facilities Corporation.

The Risk Management Division is located in the Human Resources & Risk Management Department. The Division consists of the Risk Manager, Workers' Compensation Risk & Safety Analyst and Property and Liability Risk & Safety Analyst.

2.1 CITY OF GLENDALE PROFILE

- 2.1.1 Approximately 1,660 full-time and 679 part-time employees including 426 sworn police officers and 254 sworn firefighters;
- 2.1.2 Fleet of approximately 1,293 licensed and unlicensed vehicles. A complete list along with the vehicle value is attached Exhibit 1;
- 2.1.3 Operates the Glendale Airport. The previous airport underwriting application is attached Exhibit 2;
- 2.1.4 Operates 3 libraries. A list of the City's libraries and Library Collection is attached Exhibit 3;
- 2.1.5 69 parks, 1 conservation park, 12 recreation centers, including 2 skate parks, 2 pools, 2 golf



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- courses. A list of the parks and recreation facilities is attached Exhibit 4;
- 2.1.6 1 Exhibition Hall, Auditorium, Convention Center. More information can be found on www.glendaleaz.com/departments/SpecialEvents;
 - 2.1.7 Sponsors 7 major festivals/events annually. A list of the festivals/event is attached Exhibit 5;
 - 2.1.8 Maintains Thunderbird Park Reservoir Dam. The previous DAM underwriting application is attached Exhibit 6;
 - 2.1.9 1 Landfill including a recycling facility. More information can be found on www.glendaleaz.com/departments/SolidWaste;
 - 2.1.10 Distributes approximately 39,999 million gallons water and handles 42,718 million gallons wastewater annually. More information can be found on www.glendaleaz.com/departments under Water and Wastewater Utilities;
 - 2.1.11 Operates approximately 707 miles of sewers;
 - 2.1.12 Maintains 718 miles of roadway with 16.8M square yards of asphalt area. More information can be found at www.glendaleaz.com/departments under Streets Maintenance;
 - 2.1.13 Operates a non-fixed route local transit system using 31 passenger vehicles. More information can be found on www.glendaleaz.com/departments under Transit Services; and
 - 2.1.14 A copy of the City's Comprehensive Annual Financial Reports (CAFR) and Annual Budget Report as well as almost all other statistical data associated with the City can be accessed online at www.glendaleaz.com under Departments, then link to FINANCE & TECHNOLOGY. Towards the bottom of the page you will find the reports.

2.2 CITY OF GLENDALE'S INSURANCE PROFILE (NEW AND RENEWING)

A list of policy placements in force and summary for each is included as Exhibit 9. A Statement of Values List of all City of Glendale Property is included as Exhibit 10.

- 2.2.1 **All Risk Property** – \$100,000 deductible, limit of \$1,000,000,000 with various sub-limits
- 2.2.2 **Boiler and Machinery** – \$50,000 deductible, limit of \$1,000,000,000 with various sub-limits
- 2.2.3 **Cyber Liability** – \$50,000 deductible, \$2,000,000 per member claim, aggregate
- 2.2.4 **Pollution** – \$75,000 deductible per pollution condition
- 2.2.5 **Crime** – \$50,000 deductible, \$10,000,000 limits
- 2.2.6 **Fiduciary Liability Deferred Compensation Committee** - \$5,000 deductible, \$5,000,000 limit
- 2.2.7 **Public Officials Bond** – Risk Management and Workers' Compensation Trust Fund Board - \$0 deductible, \$10,000 limit
- 2.2.8 **Excess Workers' Compensation and Employer's Liability** – \$800,000 SIR, \$2,000,000 employer's liability limit
- 2.2.9 **Excess Liability** – including bodily injury, property damage, public official errors & omissions, unfair employment practices liability and personal injury - \$1,000,000 SIR, \$50,000,000 occurrence/aggregate, various sub-limits
- 2.2.10 **Airport Owners' and Operator's Liability** – \$Nil deductible, \$20,000,000 limits
- 2.2.11 **Glendale Regional Public Safety Training Center Special Liability Insurance** – \$5,000 deductible, \$2,000,000 limits



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3.0 SCOPE OF WORK

3.1 THE SELECTED PROPOSER(S) SHALL PROVIDE THE FOLLOWING SERVICES:

Services are divided into Part I – Property & Casualty Insurance Brokerage Services; and Part II Safety and Loss Control Consulting Services. Proposals may be submitted for one part only or for both parts.

3.2 PART 1 - PROPERTY AND CASUALTY INSURANCE BROKERAGE (INSURANCE PLACEMENT) AND RELATED SERVICES

3.2.1 Part I shall cover the following policies that includes at a minimum the current coverage terms and limits as provided in the attached summaries. Proposers shall set forth in the “Flat Fee” section of the Fee Schedule their annual fee for performing brokerage and policy placement services. Coverage terms and conditions must be comparable to the current placements.

3.2.1.1 All Risk Property, including earthquake and flood

3.2.1.2 Boiler and Machinery

3.2.1.3 Cyber Liability

3.2.1.4 Pollution Liability

3.2.1.5 Crime

3.2.1.6 Fiduciary Liability Deferred Compensation Committee

3.2.1.7 Public Officials Bond – Risk Management and Workers’ Compensation Trust Fund Board - \$0 deductible, \$10,000 limit

3.2.1.8 Excess Workers’ Compensation and Employer’s Liability

3.2.1.9 Excess Liability – including bodily injury, property damage, public official errors & omissions, unfair employment practices liability and personal injury

3.2.1.10 Airport Owners’ and Operator’s General Liability

3.2.1.11 Glendale Regional Public Safety Training Center Special Liability Insurance

3.2.2 Services and Fees on Additional Policies are not included in the list above.

3.2.3 From time to time, as new needs arise or new insurance products are developed, the City may wish to explore purchasing insurance policies in addition to those in the above list; for example, tenant user liability. The fee for the initial placement (first policy year) of policies under this section should be set forth as the “Commission %” in the section Pricing Table. After the first policy year of such policy, the services will be covered under the Flat Fee.

3.2.4 The following property and casualty insurance brokerage services shall also be included in addition to the insurance placements indicated above. **Proposers shall include in the “Flat Fee” section of the Fee Schedule performing the following services:**

3.2.4.1 Develop and implement a service plan for managing the City’s insurance program, including the review of insurance/excess insurance policies. Be familiar with operations and the major exposures of the City. Market insurance policies, including preparation of quality marketing submissions and development of coverage specifications.

3.2.4.2 Select insurance markets and analyze, evaluate and summarize insurance/excess insurance quotations and indications and make recommendations in order for the city to obtain timely approval from elected officials. The policies include but are not limited to the list above and any other insurance or self-insurance programs the City may wish to consider.



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- 3.2.4.3 Fully document marketing of insurance coverages, including declinations received from insurance carriers.
- 3.2.4.4 Recommend appropriate program adjustments, policy limits, terms and conditions.
- 3.2.4.5 Verify accuracy of each policy and negotiate policy changes and provide copy of policy review with each new or renewed policy. Receive and review policies and endorsements for accuracy and conformity to specifications and negotiated coverage, terms and conditions.
- 3.2.4.6 Perform customary insurance policy management tasks.
- 3.2.4.7 Issue certificates of insurance
- 3.2.4.8 Assist with coverage and claim disputes.
- 3.2.4.9 Provide an annual insurance and self-insured retention analysis report and make recommendations. Provide annually, a 5 year loss history from each carrier. Participate in evaluation of risk management/risk financing related issues and questions.
- 3.2.4.10 Provide semi-annual stewardship reports to, and meetings with, the Risk Management Division
- 3.2.4.11 Recommend loss prevention strategies to help reduce the frequency and severity of losses.
- 3.2.4.12 Meet with city staff as reasonably requested. Provide research and prompt response to insurance and risk management questions from the Risk Management Division regarding City contracts or new exposures.
- 3.2.4.13 Provide training and educational presentations on insurance-related matters to City staff on requested topics (approx. 2 per year).
 - 3.2.4.13.1 Provide on-line training system for use by employees that provides, at a minimum, training classes listed in Exhibit 10. Training system shall track employees training, provide email notices when training is scheduled or due for follow up and provides reports by Section, Division and Department.
- 3.2.4.14 Monitor and report on insurance industry developments and trends and insurance carrier stability and immediately advise of adverse developments. Develop effective strategies to aggressively manage these developments, including alternative insurance programs and/or coverages.
- 3.2.4.15 In a timely manner, provide recommendations on risk management related issues, such as insurance requirements in contracts/agreements, loss prevention and training.
- 3.2.4.16 Coordinate, attend and participate in carrier loss control surveys and underwriter visits and provide at least 6 property inspections per year and provide recommendations. Inspect boilers in accordance with State of Arizona regulations.
- 3.2.4.17 Conduct property appraisal of all insured locations every three years.
- 3.2.4.18 Respond to City Risk Management Division communications the same business day in general; if not practicable, response should be within twenty-four hours
- 3.2.4.19 Key personnel available between 8:00 a.m. and 5:00 p.m. Mountain Standard Time.
- 3.2.4.20 Meet or exceed the City's time expectations and renewal calendar
- 3.2.4.21 Attend meetings as directed. Not less than three (3) meetings per year.
- 3.2.4.22 Perform any additional work not specifically enumerated here related to accomplishing the Scope of Work



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3.2.5 If other services are included in your fee for this section of the Scope of Work, please state them in the Method of Approach section of your proposal. Indicate that the services are provided in addition to the requested scope of work.

3.2.6 Time Expectations and Renewal Calendar for Property and Casualty Broker

3.2.6.1 Respond to phone calls and emails within 1 business day, at a minimum

3.2.6.2 Send insurance policies within 45 days of binding

3.2.6.3 The City will set a renewal calendar with the Broker's advice. The Proposer must provide proposed milestones and method of approach in accordance with this RFP.

3.3 PART 2 – SAFETY AND LOSS CONTROL SERVICES

3.3.1 Part 2 shall consist of safety and loss control consulting services on an "as needed" basis and may include, but not be limited to the following:

3.3.1.1 Prepares and provides occupational injury reports, OSHA logs and Industrial Commission filings.

3.3.1.2 Conducts claim audits of Third Party Administrator (TPA) to ensure best practices.

3.3.1.3 Assist in "mock" inspection/audits to determine any safety or health hazards that exist in the work environment and indicate necessary corrective methods or actions to reduce or eliminate exposures.

3.3.1.4 Keeps City advised on current laws, court decisions and regulations applicable to workers' compensation benefits in Arizona.

3.3.1.5 Evaluate evacuation plans and create templates for city locations to use as a model. Assist departments in creating their plans, setting up emergency drills and creating electronic emergency information for on-line access.

3.3.1.6 Review City safety policies and procedures and make recommendations for compliance with industry standards, rules and regulations. Develops tracking system for all city-wide policies and procedures.

3.3.1.7 Conducts, monitors and records safety training of employees and supervisors. Makes presentations to employee groups and management teams.

3.3.1.8 Develop on-site training plan by specified job type to assist the City-wide Safety Security and Alliance (safety committee) in employee training requirements and tracking. Provide loss control training as the needs are determined. Specific training requirements will be targeted to specific classifications of employees as defined by the City.

3.3.1.9 Overall consulting on the City's loss control effort including but not limited to General Liability, Automobile Liability and Worker Safety. Provide periodic loss control surveys, including development of recommendations to prevent the frequency and/or reduce the severity of losses.

3.3.1.10 Provide status monthly reports on progress of work, including consultant staff hours, status on all deliverables with highlights of work completed, critical issues, problems or potential problems and recommended solutions.

3.3.1.11 Provide, on an annual basis, a liability and workers' compensation frequency, severity and total cost performance matrix over a five-year period. The analysis shall benchmark frequency, severity and total costs against other benchmark cities or best practice performance levels.

3.3.2 If there are other safety and loss control services included in your fee for this Section of the Scope of Work, please state them and your Method of Approach. Indicate that the services are provided in addition to the requested scope of work.



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3.3.3 PROPOSED TECHNICAL COMPONENT – PART 1

For the Scope of Work, Part 1 Property and Casualty Insurance Brokerage and Related Services, provide the detailed information requested under the Technical Component Section of the RFP. This shall include a separate Section for detailed information requested under Method of Approach. Make sure you include all required information.

3.3.4 PROPOSED TECHNICAL COMPONENT – PART 2

For the Scope of Work, Part 2 Safety and Loss Control Services provide the detailed information requested under the Technical Component Section of the RFP. This shall include a separate Section for detailed information requested under Method of Approach. Make sure you include all required information.

3.4 PERFORMANCE INTERFERENCE

Contractor shall notify the department contact immediately of any occurrence and/or condition that interferes with the full performance of the contract, and confirm it in writing within twenty-four (24) hours. Department Contact: Dianne Shoemake, Risk Manager, Phone: 623-930-2856.

3.5 CONTRACTOR'S PERFORMANCE

Contractor shall use those efforts which a skilled, competent, experienced, and prudent person or organization would use to perform and complete the requirements of this Contract in a timely and professional manner conforming to the standards and quality generally recognized and accepted within the profession throughout the United States. Contractor shall furnish all necessary labor, tools, equipment, and supplies to perform the required services.

The City's authorized representative will decide all questions which may arise as to the quality and acceptability of any work performed under the Contract. If, in the opinion of the City's authorized representative, performance becomes unsatisfactory, the City shall notify the Contractor.

The Contractor will have ten (10) days from that time to correct any specific instances of unsatisfactory performance. In the event the unsatisfactory performance is not corrected within the time specified above, the City shall have the immediate right to complete the work to its satisfaction and shall deduct the cost to cover from any balances due or to become due the Contractor. Repeated incidences of unsatisfactory performance may result in cancellation of the Contract for default.

3.6 ACCOUNT STAFFING

The Contractor agrees to assign experienced personnel to provide for successful and timely accomplishment of the Scope of Work. Changes in personnel assigned to perform services under this Contract are subject to approval by the City. The City reserves the right at any time and for any reason during the Contract to reject any Contractor staff from performing services on behalf of the City.

3.7 TIME IS OF THE ESSENCE

The parties agree that time is of the essence in the performance of the Scope of Work.



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4.0 SPECIAL INSTRUCTIONS

4.1 RETURN OF OFFERS The Offeror shall submit five (5) hardcopies marked as “Copies”. The offeror shall submit a complete proposal on a CD or flash drive as one file folder. The folder shall be identified as “RFP 16-41 – *Original - Name of Offeror.*” (For example: RFP 16-41 – Original - ABC Company.)

The proposal responses shall be submitted in a bound format (i.e. three (3) ring loose-leaf binders, spiral and/or report covers). Proposals should be divided by tab sections according to items listed in the **Preparation of Proposal Package Instructions section 4.2**. This will assist the evaluation panel in identifying items and information submitted within the proposal. Offerors may reproduce the forms and recreate information, but all of the required information must be presented in the order requested.

The Offeror shall complete all sections of the solicitation in the format given in the space provided. If additional space is needed than what is given, enter “See attachment for detail.” Proposals that do not conform to the above format may be rejected.

The Offeror shall bear all costs associated with submitting the proposal, including proposal preparation, site visitation or any travel connected with submission of the proposal. The City shall have no liability whatsoever for such costs.

4.2 PREPARATION OF OFFER PACKAGE The following items shall be completed and returned including the written, narrative responses required in section 4.6 Submission Requirements. Failure to include all the items may result in an offer being rejected. Offer packages shall be submitted in the following order:

- 4.2.1 COVER SHEET
- 4.2.2 OFFER SHEET, Section 6.0
- 4.2.3 PRICE SHEET, Section 7.0
- 4.2.4 ADDENDUM, Return all addenda (if applicable).
- 4.2.5 TECHNICAL COMPONENT, Section 4.5 (written narrative)
- 4.2.6 METHOD OF APPROACH, Section 4.7 (written narrative)
- 4.2.7 SUBMISSION REQUIREMENTS, Section 4.6 (written narrative)

4.3 EVALUATION CRITERIA The criteria is listed below with their relative weights.

4.3.1	Experience & Qualifications	40%
4.3.2	Method of Approach	40%
4.3.3	Cost	20%

4.4 EVALUATION CRITERIA AND FORMAT Proposals will be evaluated and scored by members of an evaluation committee in accordance with the Evaluation criteria consisting of technical components(s) and a pricing (or “cost”) component.

In addition, the committee MAY request a formal presentation or interview from the highest ranked Proposers before a final recommendation.

All timely proposals will be reviewed to determine whether the minimal qualification requirements have been met. Proposals that do not meet all qualifications requirements will be considered non-responsive and will be rejected.

Each Proposal has two parts: a Technical component, consisting of Experience & Qualifications and Method of Approach, and a Price (“Cost” or “Pricing”) component. Each Proposal will be evaluated



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on its technical and price merits by a panel of reviewers. The Proposal Evaluation Criteria (listed in relative order of importance) are as follows:

- Experience & Qualifications; include resumes, organizational chart and references
- Method of Approach
- Pricing

4.4.1 Property and Casualty Insurance Brokerage will be evaluated independently with 100% of the evaluation criteria.

4.4.2 Safety Loss Control Consulting Services will be evaluated independently with 100% of the evaluation criteria.

4.5 **TECHNICAL COMPONENT** The Technical Component includes business history and resources, key personnel, adverse actions/potential impact, government/corporate experience, customer resources, other relevant information. Describe your method of approach including milestones, customer service, sample reports, technology and quality control. It is the narrative portion of the Proposal and the materials presented in response to this Request for Proposal, which shall be submitted with the Price component as set forth in the Submittal. The Proposer's narrative must follow the same order as requested and must contain, at a minimum, the following:

4.6 **SUBMISSION REQUIREMENTS**

Offeror's should provide written, narrative responses for each item requested within the criteria below. *Unnecessarily elaborate responses beyond that sufficient to present a complete and effective response to this solicitation are not desired. Do not provide general answers or reference to sales literature.* When applicable, supporting documents should be attached and reference the appropriate criterion. Offeror's, at a minimum must submit the following information:

4.6.1 **EXPERIENCE AND QUALIFICATIONS - 40%**

4.6.1.1 **Business History & Resources**

The Proposer shall provide a history of the business including the date established, the type of ownership or legal structure of the business (sole proprietor, partnership, corporation, etc.), the length of time that the firm has been operating as the legal entity and the length of time the firm has been providing the requested services. Include a discussion of the areas of expertise and resources available to provide the services outlined in the Scope of Work. Not to exceed six (6) pages.

4.6.1.2 **Key Personnel:**

List the proposed key members of staff to be assigned to the City's contract including their roles and estimated participation in delivering the services. Identify the person who is proposed as the account manager.

Attach a resume for only each person who is proposed to perform the work listed in the Scope of Work. Include education and training. Resumes must state clearly any experience specifically related to the Scope of Work and list any similar work successfully completed, stating with particularity any public entity experience. Resumes should highlight exceptional customer service accomplishments. Limit three (3) pages per resume.

Include an organizational chart that highlights the positions that will provide the actual day-to-day service on the account.



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4.6.1.2.1 **Minimum qualifications for insurance brokerage services:** The proposer is required to have appropriately licensed property and casualty staff with no less than five (5) years of combined property and commercial lines experience AND at least one (1) account representative with one (1) of the following designations:

- a. Chartered Property Casualty Underwriter (CPCU)
- b. Associate in Risk Management for public entities (ARM-P)

4.6.1.3 Adverse Actions/Potential Impact:

State whether the company is currently involved in any litigation, threatened litigation, investigation, reorganization, receivership, filing, strike, audit, corporate acquisition, unpaid judgments or other action that could have an adverse impact on your ability to provide the required RFP needs. If so, please describe the nature of the item and its potential impact.

State whether your firm has been unable to complete a contract, been removed from a contract, or been replaced during a contract period in the past five years. If so, explain what happened and why.

4.6.1.4 Government/Corporate Experience:

State your firm's experience in providing services to public entities with the same size and structure. State your firm's experience with any public entities. List other government contracts that you have now or have had in the past five years. Government/corporate experience must be similar in complexity to the City of Glendale, and demonstrate the proposer's ability and experience to successfully perform the services. Also state your firm's experience in performing the Scope of Work outlined in the RFP. Not to exceed 6 pages.

4.6.1.5 Customer References:

Furnish a minimum of three (3) references but no more than five (5) from firms or government organizations for which the Proposer is currently furnishing services; or in the past five years has completed services. References from public entities of similar size and complexity to the City of Glendale are preferred. Include references that refer to the work performed by the key persons proposed are preferred.

Please provide for each reference: Name of Company or Government Entity, Name of Reference, Address, Telephone Number and E-mail Address.

4.6.1.6 Other Relevant Information:

Submit any other information which documents other skills or experience relating to the requirements of this RFP which you believe may be relevant including brochures and descriptions.

4.7 METHOD OF APPROACH – 40%

4.7.1 Describe the firm's Method of Approach to satisfy the requirements of this RFP. This should be accomplished by an explanation of the method of performing the Scope of Work requirements. For Brokerage Services this could include, but not limited to, how you identify and select carriers, how you will assess and market the program during the renewal process, your approach to negotiating manuscript wording prior to placement, identifying risks (both insurable and non-insurable), how you disclose gaps in coverage, etc. Proposer may utilize a written narrative or other printed technique to demonstrate the ability to satisfy the Scope of Work. Address issues such as:



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4.7.2 Milestones:

Provide a list of milestones and proposed deliverables for each milestone. **For insurance brokerage services;** describe the schedule and process for the takeover from the broker of record for existing policies and verification that the current policies can be serviced by the proposer. The key City insurance policies renew on July 1; however, **quotations are required no later than May 26, 2016 in order to schedule the payment item on the Council agenda.** **For insurance brokerage services;** include the underwriting requirements and information timeframes required to be met by the City in order to be able to write coverage, including having all recommendations for renewal and/or purchase of new coverage. Throughout the year, the City will require consultation and advice on a number of risk, exposure, insurance issues safety and loss control and training on an as-needed basis.

In the event a contract is awarded, the proposed milestone will serve as a basis for establishing actual milestones and renewal calendar.

4.7.3 Customer Service – Availability:

Provide an estimate of key personnel time on each major milestone. State the availability of assigned personnel to perform the work according to the timing/needs of the City. Provide a brief assessment of the current workload and capacity of the Proposer to carry out the Scope of Work. Describe how the firm will comply with staff availability between 8:00 a.m. and 5:00 p.m. Mountain Standard Time.

4.7.4 Sample Reports:

Describe or provide a sample progress report, quote presentation forms, invoices and loss reports.

4.7.5 Technology:

Describe how your firm uses technology in performing services.

4.7.6 Quality Control:

Provide an explanation of your firm's quality control procedures.

4.8 PRICING COMPONENT - PROPOSAL – 20%

4.8.1 Proposers must submit prices in accordance with the Fee Schedule included in the "Submittal" Section. This Fee Schedule represents the City of Glendale's official request for price quotation and **MUST** be completed by the Proposer in the requested manner. The pricing stated herein must be firm.

4.9 TYPE OF AWARD The City reserves the right to make multiple awards or to award by group of line items, or to make an aggregate award, whichever is deemed most advantageous to the City. If the City determines that an aggregate award to one bidder is not in the City's best interest, "all or none" Bids shall be rejected.

4.10 ALTERNATE OFFERS/EXCEPTIONS Offers submitted as alternates, or on the basis of exceptions to specific conditions of purchase and/or required specifications, must be submitted as an attachment referencing the specific paragraph number(s) and adequately defining the alternate or exception submitted. Offeror shall clearly and specifically detail all exceptions to the exact requirements imposed by this solicitation. Detailed product brochures and/or technical literature, suitable for evaluation, must be submitted with the Offer. If no exceptions are taken, City will expect and require complete compliance with the specifications and all conditions of purchase.



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- 4.11 **INQUIRIES** Any question related to the Request for Proposal shall be directed to the Contract Officer whose name appears above. An Offeror shall not contact or ask questions of the department for whom the requirement is being procured. The Contract Officer may require any and all questions be submitted in writing. Offerors are encouraged to submit written questions via electronic mail or facsimile, no later than **five days** prior to the proposal due date. Any correspondence related to a solicitation should refer to the appropriate Request for Proposal number, page and paragraph number. An envelope containing questions should be identified as such; otherwise it may not be opened until after the official proposal due date and time. Oral interpretations or clarifications will be without legal effect. Only questions answered by a formal written amendment to the Request for Proposal will be binding.
- 4.12 **EVALUATION PANEL** Offeror submittals will be evaluated by an evaluation panel. Award shall be made to the responsive, responsible Offeror whose proposal is determined to be the most advantageous to the City.
- 4.13 **PANEL CONTACT** Offerors shall have no exclusive meetings, conversations or communications with an individual evaluation panel member on any aspect of the RFP, after submittal.
- 4.14 **SHORTLIST** The City reserves the right to shortlist the Proposers on all of the stated criteria. However, the City may determine that shortlisting is not necessary.
- 4.15 **INTERVIEWS** The City reserves the right to conduct interviews with some or all of the Proposers at any point during the evaluation process. However, the City may determine that interviews are not necessary. In the event interviews are conducted, information provided during the interview process shall be taken into consideration when evaluating the stated criteria. The City will not reimburse the Proposer for the costs associated with the interview process.
- Interviews, if scheduled, will be held at a time and place specified by the City. Each of the Proposer's key project team members including any subcontractors, who will be assigned to the project, must attend the interview/demonstration.
- 4.16 **ADDITIONAL INVESTIGATIONS** The City reserves the right to make such additional investigations as it deems necessary to establish the competence and financial stability of any proposer submitting a proposal including, without limitation, information provided by former employees and/or creditors.
- 4.17 **DISCUSSIONS AND REVISIONS TO PROPOSAL** Discussions may be conducted with responsible Offerors who submit proposals determined to be reasonably susceptible of being selected for award; and may obtain pertinent information for the purpose of clarification to assure full understanding of, and responsiveness to, the solicitation requirements. Should the City elect to call for 'best and final' offers, Offerors shall be accorded fair and equal treatment with respect to any opportunity for discussion and revision of proposals, and such revisions may be permitted after submissions and prior to award for the purpose of obtaining best and final offers. In conducting discussions, there shall be no disclosure of any information derived from proposals submitted by competing Offerors. The purposes of such discussions shall be to:
- 4.17.1 Determine in greater detail such Offeror's qualifications, and
 - 4.17.2 Explore with the scope and nature of the project, the Offeror's proposed method of performance, and the relative utility of alternate methods of approach;
 - 4.17.3 Determining that the Offeror will make available the necessary personnel and facilities to perform within the required time;



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- 4.17.4 Agreeing upon compensation which is fair and reasonable, taking into account the estimated value of the required services, and the scope, complexity and nature of such services.
- 4.18 BEST AND FINAL OFFERS** The City may request best and final offers if deemed necessary, and will determine the scope and subject of any best and final request.
- 4.19 PROPOSAL EVALUATION** The City reserves the right to secure additional information from the Offeror in various forms and or to award based on submitted information.
- 4.20 PRIOR EXPERIENCE** Experiences with the City and entities that evaluation committee members represent may be taken into consideration when evaluating the qualifications and experience.
- 4.21 OVERALL EVALUATION OF THE PROPOSAL RESPONSE** The overall completeness, accuracy and quality of the proposal may be taken into consideration when evaluating the qualifications and experience.
- 4.22 COST JUSTIFICATION**
In the event only one response is received, the City may require that the proposer submit a cost proposal in sufficient detail for the City to perform a cost/price analysis to determine if the proposal price is fair and reasonable.
- 4.23 NOTICE OF INTENT TO AWARD AND PROTEST PERIOD** Information about the recommended award for this solicitation will be posted on the Internet. The information will be available for review on the City's Materials Management Internet home page www.glendaleaz.com/purchasing immediately after the City has completed its evaluation process of the offers received. If you have any questions, or would like further information about an intended award, contact the contract analyst immediately. Any protest must be submitted to the Materials Manager no later than seven (7) calendar days from the date of posting on the Internet. Please go to: <http://www.glendaleaz.com/Purchasing/doingbusinesswithglendale.cfm> for information and instructions on how to file a protest with the City of Glendale.
- 4.24 WITHDRAWAL OF PROPOSAL** At any time prior to the specified solicitation due date and time, an Offeror may formally withdraw the proposal by a written letter, facsimile or electronic mail from the Offeror or a designated representative. Telephonic or oral withdrawals shall not be considered.
- 4.25 OFFER ERRORS OMISSIONS AND CORRECTIONS** The City will not be responsible for any offeror errors or omissions. All prices and notations shall be written in ink or typed. Changes or corrections made on the offer form must be initialed in ink by the individual signing the offer. No corrections will be permitted after the offers have been opened.
- 4.26 COMPETITIVE NEGOTIATIONS** Exclusive or concurrent negotiations may be conducted with responsible Offeror(s) for the purpose of altering or otherwise changing the conditions, terms and price of the proposed contract unless prohibited. Offerors shall be accorded fair and equal treatment in conducting negotiations and there shall be no disclosure of any information derived from proposals submitted by competing offerors. Exclusive or concurrent negotiations shall not constitute a contract award nor shall it confer any property rights to the successful Offeror. In the event the City deems that negotiations are not progressing, the City may formally terminate these negotiations and may enter into subsequent concurrent or exclusive negotiations with the next most qualified offeror(s).



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4.27 NO CONTACT, NO INFLUENCE DURING THE RFP PROCESS The City is conducting a competitive RFP process for the contract, free from improper influence or lobbying. There shall be no contact concerning this RFP from Offerors submitting a Proposal with any member of the City Council, RFP Evaluation Committee Members, or anyone connected with the process for or on behalf of the City. Contact includes direct or indirect contact by the Offeror, its employees, attorneys, lobbyists, surrogates, etc. in an attempt to influence the RFP process.

From the time the RFP is issued until the expiration of the protest period or the resolution of any protest, whichever is later (the "Black-Out Period"), Offerors, directly or indirectly through others, are restricted from attempting to influence in any manner the decision making process through, including but not limited to, the use of paid media; contacting or lobbying the City Council or City Manager or any other City employee (other than Material Management employees); the use of any media for the purpose of influencing the outcome; or in any other way that could be construed to influence any part of the decision-making process about this RFP. This provision shall not prohibit an Offeror from petitioning an elected official or engaging in any other protected first amendment activity after the protest period has run or any protest has been resolved, whichever is later.

Violation of this provision will cause the proposal or offer of the Offeror to be found in violation and to be rejected.

4.28 PROPRIETARY INFORMATION An Offeror shall clearly mark any proprietary information contained in its bid with the words "Proprietary Information." Offeror shall not mark any Solicitation Form as proprietary. Pricing data shall not be considered proprietary. Marking all, or nearly all, of a bid as proprietary may result in rejection of the bid.

Offeror's acknowledge that the City is required by law to make certain records available for public inspection. In the event that the City receives a request for disclosure of Proprietary Information by any person, court, agency or administrative body, or otherwise has a reasonable belief that it is obligated to disclose the Proprietary Information to any such person or authority, the City will provide Offeror with prompt written notice so that Offeror may seek a protective order or other appropriate remedy. The Offeror, by submission of materials marked Proprietary Information, acknowledges and agrees that the City will have no obligation to advocate for non-disclosure in any forum or any liability to the Offeror in the event that the City must legally disclose the Proprietary Information.

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5.0 SPECIAL TERMS AND CONDITIONS

5.1 TERM OF AGREEMENT The initial term of the contract shall be one (1) year upon approval by the City Council.

5.2 OPTION TO EXTEND The City may, at its option and with the approval of the Contractor, extend the term of this agreement four (4) additional years in one (1) year increments based on satisfactory Contractor performance. Contractor shall be notified in writing by the City Materials Manager of the City's intention to extend the contract period at least sixty (60) calendar days prior to the expiration of the original contract period. Price adjustments will only be reviewed during contract renewal.

5.3 PRICE ADJUSTMENTS Contractor shall submit a request for a rate increase a minimum of sixty (60) days prior to the contract renewal date. The request shall be in writing and include supportive justification for the proposed increase. The rate increase shall only be considered at time of contract extension. The City will review the request and shall determine if the increase shall be granted or if an alternate option is in the best interest of the City. The price increase adjustment, if approved, will be effective and executed via a contract amendment.

5.4 INCORPORATION BY REFERENCE All responses shall incorporate by reference the Scope/Specifications, terms and conditions, general instructions and conditions and any attachments or exhibits. The Standard Terms and Conditions applicable to this solicitation are posted on the Internet. They are available for review and download at the City's Materials Management Internet home page, www.glendaleaz.com/purchasing. Offerors are advised to review all provisions of the General Instructions and Conditions for this solicitation.

5.5 SOURCES OF BROKER COMPENSATION Contractor is prohibited from receiving any contingent commissions or compensation from carriers. Insurance premiums will be negotiated net of commission. However, Contractor may receive commissions from carriers for direct placement of policies as set forth in the Scope of Work. It is acknowledged that intermediaries may be used and compensated by insurers out of paid premium. All sources of broker compensation must be disclosed at the time insurance policy quotes are presented to the City. Further, in order to prevent a conflict of interest, Contractor will disclose at the time of each insurance policy quote any commissions or fees payable to wholesalers, MGA's or other intermediaries.

In a Tenant User Liability Insurance Program, which may be arranged by the City as a service to third parties using premises such as the convention center or parks, premium is paid by the third parties using the program, and therefore, the Contractor may receive commission on such a program.

5.6 INSURANCE Contractor and subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Contract are satisfied, insurance against claims which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors.

The insurance requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The City in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this Contract by the Contractor, his agents, representatives, employees or subcontractors and Contractor is free to purchase additional insurance as may be determined necessary.



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5.6.1 MINIMUM SCOPE AND LIMIT OF INSURANCE Contractor shall provide coverage with limits of liability not less than those stated below. An excess liability policy or umbrella liability policy may be used to meet the minimum liability requirements provided that the coverage is written on a "following form" basis.

A program of self-insurance acceptable to the City may be used to satisfy these insurance requirements.

Commercial General Liability – Occurrence Form

Policy shall include bodily injury, property damage and broad form contractual liability coverage.

General Aggregate	\$2,000,000
Products – Completed Operations Aggregate	\$1,000,000
Personal and Advertising Injury	\$1,000,000
Each Occurrence	\$1,000,000

Policy shall be endorsed to include the following additional insured language: "The City of Glendale shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of the Contractor".

Worker's Compensation and Employers' Liability

Broker shall provide Workers' Compensation Statutory Employers' Liability

Each Accident	\$ 100,000
Disease – Each Employee	\$ 100,000
Disease – Policy Limit	\$ 500,000

Policy shall contain a waiver of subrogation against the City of Glendale.

This requirement shall not apply when a contractor or subcontractor is exempt under A.R.S. 23-901, AND when such contractor or subcontractor executes the appropriate sole proprietor waiver form.

Professional Liability (Errors and Omissions Liability)

Broker's policy shall cover professional misconduct or lack of ordinary skill in performing the services defined in the Scope of Services of this Contract.

Each Claim	\$2,000,000
Annual Aggregate	\$2,000,000

Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed.

Technology Errors and Omissions Liability

The policy shall cover errors and omissions, product failure, security failure, professional liability and personal injury for those positions as defined in the Scope of Services of this contract.

Each Claim	\$1,000,000
Annual Aggregate	\$1,000,000

In the event that this insurance is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either



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continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed.

5.7 ADDITIONAL INSURANCE REQUIREMENTS The policies shall include, or be endorsed to include, the following provisions:

On insurance policies where the City of Glendale is named as an additional insured, the City of Glendale shall be an additional insured to the full limits of liability purchased by the Contractor even if those limits of liability are in excess of those required by this Contract.

Each insurance policy shall be primary insurance and non-contributory with respect to the City's program of insurance and self-insurance.

5.8 NOTICE OF CANCELLATION For each insurance policy required by the insurance provisions of this Contract, the Contractor must provide to the City, within 2 business days of receipt, a notice if a policy is suspended, voided or cancelled for any reason. Such notice shall be mailed, emailed, hand delivered or sent by facsimile transmission to City of Glendale, Risk Management Division, 5850 W. Glendale Avenue, Glendale, Arizona 85301, Attn: Risk Manager, dshoemake@glendaleaz.com, Fax: 623-847-5321.

5.9 ACCEPTABILITY OF INSURERS Insurance is to be placed with insurers duly licensed or authorized to do business in the state of Arizona and with an "A.M. Best" rating of not less than B+ VI. The City in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

5.10 VERIFICATION OF COVERAGE Contractor shall furnish the City with certificates of insurance (ACORD form or equivalent approved by the City) as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and any required endorsements are to be received and approved by the City before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract or to provide evidence of renewal is a material breach of contract.

All certificates required by this Contract shall be sent directly to the City's insurance certificate tracking service, or to the City of Glendale Risk Management Division, 5850 W. Glendale Avenue, B56, Glendale, Arizona 85301, Attn: Risk Manager. The City project/contract number and project description shall be noted on the certificate of insurance.

5.11 SUBCONTRACTORS Contractors' certificate(s) shall include all subcontractors as additional insureds under its policies or Contractor shall furnish to the City separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.

5.12 INDEMNIFICATION CLAUSE Contractor shall indemnify, defend, save and hold harmless the City of Glendale and its officers, officials, agents, and employees (hereinafter referred to as "Indemnatee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount



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arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that Contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. In consideration of the award of this Contract, the Contractor agrees to waive all rights of subrogation against the City, its officers, officials, agents and employees for losses arising from the work performed by the Contractor for the City. This indemnification paragraph shall survive the termination of this contract.

- 5.13 CONFLICT OF INTEREST** Contractor shall disclose the following: 1) the name(s) and position(s) of each Contractor's employee or subcontractor that participated in the preparation of the submittal or who will be involved, directly or indirectly, with performing the contract, if awarded; 2) the name(s) of any City of Glendale employee who is a relative of persons identified pursuant to No. 1; 3) the name(s) and position(s) of Contractor's personnel that have a financial or proprietary interest in the contract; 4) the name(s) of any City of Glendale employee who is a relative of persons identified pursuant to No. 3.

Providing such disclosure will not necessarily disqualify a Contractor. Failure to disclose the requested information or any potential conflict of interest pursuant to A.R.S. § 38-501 et seq. may result in rejection of the proposal or bid or any contract being void or terminated.

For purposes of this provision, the following definitions apply:

"Employee" means all persons who are employed on a full-time, part-time or contract basis by the City of Glendale.

"Relative" means the spouse, child, child's child, parent, grandparent, brother or sister of the whole or half blood and their spouses and the parent, brother, sister or child of a spouse.

- 5.14 COOPERATIVE USE OF CONTRACT** This agreement may be extended for use by other governmental agencies and political subdivisions of the State, including all members of SAVE (Strategic Alliance for Volume Expenditures). Any such usage by other entities must be in accord with the ordinances, charter, rules and regulations of the respective entity and the approval of the Contractor and City. For a list of SAVE members, click on the following link: <http://www.maricopa.gov/Materials/save.aspx>.

- 5.15 PUBLIC RECORD** Contractor acknowledges that the City is a public agency and must comply with all Public Records laws. All proposals submitted in response to the Solicitation shall become the property of the City and, subsequent to award recommendation, become a matter of public record available for review pursuant to Arizona Public Records Law.

If a Contractor believes that a specific section of its Proposal response is confidential, that should be withheld from the public record, Contractor shall isolate the pages and mark each page confidential in a specific and clearly labeled section of its Proposal response. The Contractor shall include a written statement as to the basis for considering the marked pages confidential including the specific harm or prejudice if disclosed. The City Materials Management Division will review the material and make a determination as to the confidentiality of any of the information and/or material contained within the Submittal. In the event of a public records request for documents Contractor deems confidential, the City will notify Contractor of the request and if Contractor claims such documents are confidential, it shall be the Contractor's sole responsibility, including sole cost, to take appropriate action, including legal action, to protect such documents. Price is not confidential and will not be withheld.



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5.16 PERMITS AND LICENSES Contractor shall possess at the time of submittal and shall keep current federal, state, and local licenses and permits required for the performance of the services and the operation of the business conducted by the Contractor as applicable to this Contract.

5.17 CERTIFICATION By signature on the Offer/Bid page, solicitation Amendment(s), or cover letter accompanying the submittal documents, Contractor certifies:

The submission of the offer did not involve collusion, and without any agreement, understanding or planned common course of action with, any other vendor of materials, supplies, equipment or services described in the invitation to bid, designed to limit independent bidding or competition or other anti-competitive practices. The Contractor shall not discriminate against any employee or applicant for employment in violation of Federal or State law. The Contractor has not given, offered to give, nor intends to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, meal or service to a public servant in connection with the submitted offer. The Contractor hereby certifies that the individual signing the submittal is an authorized agent for the Contractor and has the authority to bind the Contractor to the Contract.

5.18 PRICE & PRICE ADJUSTMENTS All prices quoted shall be firm and fixed for the initial contract period. Price adjustments shall be addressed a minimum of sixty (60) days prior to the contract renewal date, shall be in writing and include supportive justification for the proposed increase. The rate increase shall only be considered at-time of contract extension. The City will review the request and shall determine if the increase shall be granted or if an alternate option is in the best interest of the City. The price increase adjustment, if approved, will be effective and executed via a contract amendment.

5.19 ADDITIONS OF PRODUCTS OR SERVICES The City reserves the right to add additional products or services to this contract when deemed necessary by the City. If this occurs, the Contractor will be requested to submit a negotiable quotation for the additions. Upon approval and authorization by the Materials Manager such additions will be added to and become a part of the contract through properly executed forms.

5.20 METHOD OF INVOICING Invoices must include the following:

- A. City contract agreement number.
- B. Description of services (i.e., "Annual fee, installment 1 of 4") and amount per item
- C. For premium invoices: Insurance policy number(s), carrier(s) and inception date(s)
- D. Applicable tax and fees, such as surplus lines tax and fees, itemized separately
- E. Invoice number and date

5.21 METHOD OF PAYMENT

The City will pay the fees for safety/loss control services on a quarterly basis in arrears. Insurance premiums will be invoiced immediately. Brokerage services will be invoiced immediately after renewal of the contract annually. All invoices shall be directed to:

City of Glendale
Risk Management Division
Attn: Dianne Shoemake
5850 W. Glendale Avenue, B56
Glendale, AZ 85301

5.22 NON-DISCRIMINATION By submitting this Offer, Contractor agrees not to discriminate against any employee or applicant for employment on the basis of race, color, religion, sex,

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national origin, age, marital status, sexual orientation, gender identity or expression, genetic characteristics, familial status, U.S. military veteran status or any disability. Contractor will require any Sub-contractor to be bound to the same requirements as stated within this section. Contractor, and on behalf of any subcontractors, warrants compliance with this section.

EXHIBIT B

Request for Proposal 16-37

Insurance Broker and Related Consulting Services

COMPENSATION

METHOD AND AMOUNT OF COMPENSATION

Compensation for brokerage services for property and casualty & safety and loss control will be paid in the manner described in Section 5 of the Agreement.

NOT-TO-EXCEED AMOUNT

The total amount of compensation paid to Contractor for full completion of all work required by the Project during the entire term of the Project must not exceed \$714,100.00.

DETAILED PROJECT COMPENSATION

FLAT PROPERTY AND CASUALTY BROKERAGE SERVICES FEES:

Year 1	\$56,000
Year 2	\$56,000
Year 3	\$59,000
Year 4	\$62,000
Year 5	\$65,000
TOTAL:	\$298,000

NEW OR ADDITIONAL POLICIES COMMISSION:

Years 1 through 5 = 10% commission on the cost of new or existing policies not stated in Section 2.2 of the RFP. Total amount of the commissions earned over the entire 5-year term shall not exceed \$75,000.

FLAT SAFETY AND LOSS CONTROL SERVICES FEES:

Year 1	\$78,000 or 520 hours @ \$150 per hour
Year 2	\$65,100 or 420 hours @ \$155 per hour
Year 3	\$64,000 or 400 hours @ \$160 per hour
Year 4	\$66,000 or 400 hours @ \$165 per hour
Year 5	\$68,000 or 400 hours @ \$170 per hour
TOTAL:	\$341,100

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7.0 PROPOSAL FEES

7.1 PROPERTY & CASUALTY PRICE SCHEDULE

“Flat Fee” – Covers services listed in Part 1 Scope of Work, Property and Casualty Insurance Brokerage (Insurance Placement) and Related Services.

“Commission %” – For services performed related to Property and Casualty Brokerage, the stated commission percentage will apply as a fee, for the first policy year of such new policy, not including the current placements. After the first policy year of such policy, the services will be covered under the Flat Fee.

Proposers shall set forth a Flat Fee for property and casualty insurance brokerage services listed in this RFP, and set forth in the “Commission %” section below an additional percentage fee based on premium for performing the services on new policies not included in the current placements or state in the Commission% column below whether such services are included in the Flat Fee.

Please note: Proposers are not authorized to approach or block any markets at this time.

FLAT FEE for current policies listed and other insurance brokerage services as listed in the Scope of Work		For NEW or Additional Policies Commission percent (%) for Services that are listed in the Scope of Work	
Contract Year	Flat Fee	Contract Year	Commission %
Year 1	\$56,000	Year 1	10%
Year 2	\$56,000	Year 2	10%
Year 3	\$59,000	Year 3	10%
Year 4	\$62,000	Year 4	10%
Year 5	\$65,000	Year 5	10%

Both price columns must be completed.

7.1.1 PAYMENT The Contractor shall provide monthly statements of itemized services. Payment will be reviewed and approved by the Contract Administrator or designee.

7.1.2 PROCUREMENT CARD ORDERING CAPABILITY Please check appropriate box.

YES, I will accept payment under this contract with the Procurement Card.

NO, I will not accept payment under this contract with the Procurement Card.

*Includes standard loss control services within our Insurance Broker Services Programs (appraisals, infrared, property specific loss control, webinars, IRIC training and assistance) and are included within our above broker fees.

OFFEROR NAME: Alliant Insurance Services, Inc.

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7.2 SAFETY AND LOSS CONTROL SERVICES PRICE SCHEDULE

“Flat Fee” – Covers services listed in Part 2 Scope of Work, Safety and Loss Control and Related Services and any additional services proposed by the contractor, **OR**

“Hourly Rate” – For services performed related to Safety and Loss Control and Related Services, the stated hourly rate including the total number of hours and total fee to complete the Safety and Loss Control and Related Services based upon the proposed Scope of Work.

Proposers shall set forth a “Flat Fee” for Safety and Loss Control and Related Services listed in this RFP, **OR** the ‘Hourly Rate’ based upon the proposed Scope of Work.

FLAT FEE Safety and Loss Control and Related Services Listed in Proposed Scope of Work		HOURLY RATE Safety and Loss Control and Related Services Listed in Scope of Work.	
Contract Year	Flat Fee	Contract Year	Hourly Rate Total Hours Total Fee
Year 1	520 hours at \$78,000	Year 1	Hourly rate: \$150.00 Total Hours: 520 Total Fee: \$78,000
Year 2	420 hours at \$65,100	Year 2	Hourly rate: \$155.00 Total Hours: 420 Total Fee: \$65,100
Year 3	400 hours at \$64,000	Year 3	Hourly rate: \$160.00 Total Hours: 400 Total Fee: \$64,000
Year 4	400 hours at \$66,000	Year 4	Hourly rate: \$165.00 Total Hours: 400 Total Fee: \$66,000
Year 5	400 hours at \$68,000	Year 5	Hourly rate: \$170.00 Total Hours: 400 Total Fee: \$68,000

Both price columns must be completed.

7.2.1 PAYMENT The Contractor shall provide monthly statements of itemized services. Payment will be reviewed and approved by the Contract Administrator or designee.

7.2.2 PROCUREMENT CARD ORDERING CAPABILITY Please check appropriate box.

YES, I will accept payment under this contract with the Procurement Card.

NO, I will not accept payment under this contract with the Procurement Card.

OFFEROR NAME: Alliant Insurance Services, Inc.

EXHIBIT C

Request for Proposal 16-37

Insurance Broker and Related Consulting Services

DISPUTE RESOLUTION

1. Disputes.

- 1.1 Commitment. The parties commit to resolving all disputes promptly, equitably, and in a good-faith, cost-effective manner.
- 1.2 Application. The provisions of this Exhibit will be used by the parties to resolve all controversies, claims, or disputes ("Dispute") arising out of or related to this Agreement-including Disputes regarding any alleged breaches of this Agreement.
- 1.3 Initiation. A party may initiate a Dispute by delivery of written notice of the Dispute, including the specifics of the Dispute, to the Representative of the other party as required in this Agreement.
- 1.4 Informal Resolution. When a Dispute notice is given, the parties will designate a member of their senior management who will be authorized to expeditiously resolve the Dispute.
 - a. The parties will provide each other with reasonable access during normal business hours to any and all non-privileged records, information and data pertaining to any Dispute in order to assist in resolving the Dispute as expeditiously and cost effectively as possible;
 - b. The parties' senior managers will meet within 10 business days to discuss and attempt to resolve the Dispute promptly, equitably, and in a good faith manner, and
 - c. The Senior Managers will agree to subsequent meetings if both parties agree that further meetings are necessary to reach a resolution of the Dispute.

2. Arbitration.

- 2.1 Rules. If the parties are unable to resolve the Dispute by negotiation within 30 days from the Dispute notice, and unless otherwise informal discussions are extended by the mutual agreement, the parties may agree, in writing, that the Dispute will be decided by binding arbitration in accordance with Commercial Rules of the AAA, as amended herein. Although the arbitration will be conducted in accordance with AAA Rules, it will not be administered by the AAA, but will be heard independently.
 - a. The parties will exercise best efforts to select an arbitrator within 5 business days after agreement for arbitration. If the parties have not agreed upon an arbitrator within this period, the parties will submit the selection of the arbitrator to one of the principals of the mediation firm of Scott & Skelly, I.J.C, who will then select the arbitrator. The parties will equally share the fees and costs incurred in the selection of the arbitrator.
 - b. The arbitrator selected must be an attorney with at least 10 years experience, be independent, impartial, and not have engaged in any business for or adverse to either Party for at least 10 years.
- 2.2 Discovery. The extent and the time set for discovery will be as determined by the arbitrator. Each Party must, however, within ten (10) days of selection of an arbitrator deliver to the other Party copies of all documents in the delivering party's possession that are relevant to the dispute.
- 2.3 Hearing. The arbitration hearing will be held within 90 days of the appointment of the arbitrator. The arbitration hearing, all proceedings, and all discovery will be conducted in Glendale, Arizona unless otherwise agreed by the parties or required as a result of witness location. Telephonic hearings and other reasonable arrangements may be used to minimize costs.

2.4 Award. At the arbitration hearing, each Party will submit its position to the arbitrator, evidence to support that position, and the exact award sought in this matter with specificity. The arbitrator must select the award sought by one of the parties as the final judgment and may not independently alter or modify the awards sought by the parties, fashion any remedy, or make any equitable order. The arbitrator has no authority to consider or award punitive damages.

2.5 Final Decision. The Arbitrator's decision should be rendered within 15 days after the arbitration hearing is concluded. This decision will be final and binding on the Parties.

2.6 Costs. The prevailing party may enter the arbitration in any court having jurisdiction in order to convert it to a judgment. The non-prevailing party shall pay all of the prevailing party's arbitration costs and expenses, including reasonable attorney's fees and costs.

3. **Services to Continue Pending Dispute.** Unless otherwise agreed to in writing, Contractor must continue to perform and maintain progress of required services during any Dispute resolution or arbitration proceedings, and City will continue to make payment to Contractor in accordance with this Agreement.

4. **Exceptions.**

4.1 Third Party Claims. City and Contractor are not required to arbitrate any third-party claim, cross-claim, counter claim, or other claim or defense of a third-party who is not obligated by contract to arbitrate disputes with City and Contractor.

4.2 Liens. City or Contractor may commence and prosecute a civil action to contest a lien or stop notice, or enforce any lien or stop notice, but only to the extent the lien or stop notice the Party seeks to enforce is enforceable under Arizona Law, including, without limitation, an action under A.R.S. § 33-420, without the necessity of initiating or exhausting the procedures of this Exhibit.

4.3 Governmental Actions. This Exhibit does not apply to, and must not be construed to require arbitration of, any claims, actions or other process filed or issued by City of Glendale Building Safety Department or any other agency of City acting in its governmental permitting or other regulatory capacity.