

**REQUEST FOR PROPOSAL ("RFP") FOR
THIRD PARTY LIABILITY CLAIMS ADMINISTRATOR SERVICES**

Specification No. 712589

Required for use by:

**CITY OF CHICAGO
(Department of Law)**



This RFP distributed by:

**CITY OF CHICAGO
(Department of Procurement Services)**

All proposals and other communications must be addressed and returned to:

Shannon E Andrews, Chief Procurement Officer
Attention: Ray Adams Senior Procurement Specialist
raymond.adams2@cityofchicago.org
312 -744-9781
Department of Procurement Services
Bid & Bond Room - Room 103, City Hall
121 North LaSalle Street
Chicago, Illinois 60602

A Pre-Proposal Conference will be held on November 29, 2018 at 10:00 A.M. Central Time,
City Hall,
1st Floor, Room# 103, 121 North LaSalle Street, Chicago, Illinois 60602.
Attendance is Non-Mandatory, but encouraged.

PROPOSALS MUST BE RECEIVED NO LATER THAN 4:00 P.M., CENTRAL TIME, ON

December 28, 2018

**RAHM EMANUEL
MAYOR**

**SHANNON E. ANDREWS
CHIEF PROCUREMENT OFFICER**



DEPARTMENT OF PROCUREMENT SERVICES

CITY OF CHICAGO

Dear Vendor:

Under the leadership of Mayor Rahm Emanuel, the City continues to identify ways contractors can be good corporate citizens, enhance the City's business community, and improve small businesses' chances of being successful City contractors. The City has several bid incentives and programs designed to benefit local businesses, small businesses and utilization thereof, and reward corporate responsibility and community awareness, including bid incentives for apprentice utilization, city-based businesses, city-based manufacturers, project-area subcontractors, veteran/small business joint ventures, and the use of alternatively powered vehicles, as well as the diversity credit program. Information about all of the City's programs and incentives can be found at www.cityofchicago.org/city/en/depts/dps/provdrs/comp.html.

One program that you may not be aware of is the City's Mentor-Protégé Program ("Program"). Under this Program, a prime contractor mentor is eligible to receive (1) a 1% bid incentive; and (2) an additional 0.5 percent participation credit for every one percent of the value of the contract performed by a subcontractor MBE/WBE protégé (in addition, instead of being mentored by the prime, can be mentored by a first-tier subcontractor), up to a maximum of five additional percentage points of utilization credit. The mentor and protégé must enter into a formal, written agreement that must be approved by the Chief Procurement Officer and that describes how the mentor-protégé relationship will develop the capacity of the MBE/WBE protégé firm to become self-sufficient, competitive, and profitable.

The Mentor-Protégé Program thus embodies two of the City's most important goals: fostering economic development through the growth of small businesses, and connecting our communities to one another through lasting relationships that may not otherwise have formed. We encourage you to make connections at pre-bids and other networking events, contact the assist agencies¹ for vendors specializing in the area of work you are looking to subcontract, and search our MBE/WBE directory online, with the hope that you will take advantage of this Program.

Please also review the following additional reminders about bidding, contracting, and compliance.

Please read Instructions for Bidders, Requests for Proposals and Requests for Qualifications carefully. We understand that government solicitations for bids, proposals and qualifications contain a lot of information and may have mandatory forms to complete. However, errors and omissions in your bids, proposals and qualifications cost both you and the City time and money, since non-responsive bids must be rejected. Rejected bids may result in your firm not getting the contract and increase the cost of work to the City.

If you have a question, ask us. The telephone number and e-mail address of the individual from DPS who is responsible for each solicitation is stated on the cover page of that solicitation. Call or write us – we are here to assist you. However, please keep in mind that in regards to bid solicitations, we must communicate answers to anything but the most general questions to all firms in the vendor pool. This is usually done via an addendum.

The City remains committed to the development and utilization of small, minority, women and disadvantaged owned businesses. In each bid solicitation, you receive a list of the City's registered assist

¹ For a list of assist agencies, visit www.cityofchicago.org/content/dam/city/depts/dps/ContractAdministration/Forms/AssistAgenciesJune2016.pdf.

agencies. As you plan for meeting your MBE/WBE goals, remember to contact the assist agencies. They have members holding certification in a variety of disciplines. Please utilize them whenever you have contracting needs. In fact, contacting these agencies *well in advance of the bid opening date* is a requirement for demonstrating good faith efforts to obtain MBE/WBE participation if you request a reduction or waiver of goals.

All subcontractors must be approved by the Chief Procurement Officer. A contractor may not make any substitution for a previously approved subcontractor unless the substitution is acceptable to the Chief Procurement Officer. All requests to substitute subcontractors must be submitted on the appropriate form.

You must pay all subcontractors and suppliers within seven days of your receiving payment for that portion of the work from the City. Failure to pay your subcontractors within the seven-day time period may subject you to fines or other penalties.

Vendors are required to report payments to all subcontractors and suppliers in C2. The City's Certification and Compliance Management system, C2, allows prime contractors to report MW/DBE utilization quickly and efficiently through a web-based format while simultaneously allowing subcontractors the ability to confirm payment activity.

EDSs must be kept up to date. Vendors are required to fill out an Economic Disclosure Statement ("EDS") prior to award of a contract. Until final completion of the project, you must provide, without need for request by the City, an updated EDS if there is any change in ownership or change in any other circumstance that would render the EDS then currently on file inaccurate or obsolete. Failure to provide an updated EDS when required is an event of default.

Persons who lobby City government are required to register as a lobbyist with the Board of Ethics and submit activity reports every quarter. For more information regarding this requirement, please contact the City of Chicago Board of Ethics. Information about the Board may be found at www.cityofchicago.org/ethics.

Check the Debarred Vendor List. Prior to submitting a bid, or for existing contracts, a request for approval of subcontractors, you must check the list of debarred vendors to make sure that you are not proposing the use of a firm that is ineligible to do business with the City. The list of vendors ineligible to do business with the City may be found at www.cityofchicago.org/city/en/depts/dps/provdrs/debarred_firms_list.html.

Comply with prevailing wage and minimum wage requirements. Pursuant to the Illinois Prevailing Wage Act, (or Davis Bacon Act for federally funded contracts), contractors and subcontractors must pay laborers, workers and mechanics performing services on public works projects no less than the current "prevailing rate of wages" (hourly cash wages plus amount for fringe benefits) in the county where the work is performed and, no later than the tenth day of each calendar month, file a certified payroll for the immediately preceding month with the public body in charge of the project. Additionally, pursuant to Mayoral Executive Order 2014-1, the minimum wage* must be paid to all employees regularly performing work on City property or at a City jobsite, and all employees whose regular work entails performing a service for the City under a City contract. For more information about the prevailing wage, visit www.illinois.gov/idol/Laws-Rules/CONMED/Pages/prevailing-wage-rates.aspx. For a copy of Mayoral Executive Order 2014-1 regarding minimum wage, visit www.cityofchicago.org/content/dam/city/depts/dps/RulesRegulations/ExecutiveOrderNo2014-1.pdf.

Comply with the United States Department of Labor Occupational Safety & Health Administration ("OSHA") laws and regulations. Under the Occupational Safety and Health Act, employers are responsible for providing a safe and healthful workplace. OSHA's mission is to assure safe and healthful workplaces by setting and enforcing standards, and by providing training, outreach, education and assistance. Employers must comply with all applicable OSHA standards. Employers must also comply with the

General Duty Clause of the OSH Act, which requires employers to keep their workplace free of serious recognized hazards. For more information, visit www.osha.gov/law-regs.html.

Comply with the Multi-Project Labor Agreement ("PLA"). The City is a signatory to the PLA, which applies to all contractors and subcontractors of any tier performing construction work, including construction, demolition, rehabilitation, maintenance, and/or renovation of real property located in Chicago. See the relevant sections of the bid specification for more information.

Assistance in meeting the City's requirements for project area labor is available through the Chicago Cook Workforce Partnership. On construction projects of \$100,000 or more, at least 50% of the total hours worked must be provided by City residents, and at least 7.5% of the hours worked must be provided by residents of the project area. The City and Cook County have partnered to provide job training and collaborate with unions, among other workforce development initiatives. For more information and to request assistance with complying with Chicago residency and project area residency requirements, visit www.workforceboard.org/businesses or call (312) 603-7066.

Schedule Cs must reflect the agreement between the subcontractor and the prime contractor. A subcontractor's signature on the Schedule C means it has agreed to the scope and price of work that is described therein. We strongly caution against subcontractors signing and sending blank Schedule Cs to prime contractors.

Pay at least the applicable wage rate, and note the requirements of the paid sick leave ordinance. On December 2, 2014, the City Council of the City of Chicago passed a new chapter of the Municipal Code, 1-24, specifying a minimum wage to be paid to all workers within the City of Chicago – not just employees of City contractors – effective July 1, 2015. For work performed on City contracts, a Contractor must pay the highest of (1) prevailing wage/Davis-Bacon rate, if applicable; (2) minimum wage specified by Mayoral Executive Order 2014-1*; (3) "Living Wage" rate specified by MCC Sect. 2-92-610; (4) Chicago Minimum Wage rate specified by MCC Chapter 1-24*; or (5) the highest applicable State or Federal minimum wage. In addition, § 1-24-045, Paid Sick Leave, which was passed in 2016, requires all employers of employees performing work in the City to provide paid sick leave, **effective July 1, 2017**.

Note that there are different types of waivers of lien. A *Conditional Waiver and Release Upon Progress Payment* is used when the claimant is required to sign a waiver and release in exchange for, or in order to, induce a progress payment, and the claimant has not yet been paid. A *Conditional Waiver and Release Upon Final Payment* is used when the claimant is required to sign a waiver and release in exchange for, or in order to induce a final payment, and the claimant has not yet been paid. Remember, any outstanding balance that is owed to the claimant or retainage held should be noted in the balance section of the waiver of lien. An *Unconditional Waiver and Release Upon Progress Payment* is used when the claimant is required to sign a waiver and release in exchange for, or in order to, induce a progress payment, and the claimant asserts in the waiver that he or she has received the progress payment. An *Unconditional Waiver and Release Upon Final Payment* is used when the claimant is required to sign a waiver and release in exchange for, or in order to, induce a final payment and the claimant asserts in the waiver that he or she has received the final payment.

Please take a moment to fill out the **optional** survey that follows this letter to help us gain a better understanding of your firm. Thank you for your attention to these important matters, and we look forward to partnering with you on future City contracts.

Sincerely,



Shannon E. Andrews
Chief Procurement Officer



*For the most up-to-date wage rate information, visit www.cityofchicago.org/city/en/depts/dps/provdrs/comp.html.

PLEASE NOTE: Do **not** return this survey with your bid, as it is optional and does not affect the evaluation of your bid. If you choose to complete the survey, please fax it to 312-744-0010 or email it to dps.feedback@cityofchicago.org.

Vendor Name ("Vendor"):

Date:

(1) Does Vendor have a formal tracking and reporting system of energy/utility/waste/water usage to identify trends and unusual fluctuations and usage?

(2) Does Vendor have an awareness program for energy conservation that includes regular communication to employees about avoiding wasteful practices and encourages turning off lights and other devices when not in use?

If so, are reminder signs posted in appropriate locations?

(3) Has a policy or practice been adopted to avoid or prohibit the use of high energy- consuming outdoor advertising (such as LED billboards)?

(4) Are employees instructed to shut down personal computers at the end of each work period?

Are computers set to turn off monitor, hard drive, or go on standby after 30 minutes or less of inactive network/system controls used to minimize energy use in idle work stations?

(5) Are supplies and cleaning products chosen based on goal of minimizing harmful or hazardous contents? _____

(6) Is preference given whenever practicable to local suppliers and products locally or regionally?

(7) What percentage of Vendor's full-time employees identify as:

a. White _____

b. Black or African-American _____

c. Hispanic _____

d. Asian _____

e. Other _____

(8) What percentage of Vendor's full-time employees identify as:

a. Male _____ %

b. Female _____ %

TABLE OF CONTENTS

I.	GENERAL INVITATION	1
A.	Purpose of the Request for Proposal	1
B.	Background	1
C.	Internet Access to this RFP	2
II.	DEFINITIONS	2
III.	SCOPE OF SERVICES	3
A.	Description of Services	3
B.	Contract Term	3
IV.	GENERAL INFORMATION AND GUIDELINES	3
A.	Communications Between the City of Chicago and Respondents	3
1.	Submission of Questions or Requests for Clarifications	3
2.	Pre-Proposal Conference	3
B.	Deadline and Procedures for Submitting Proposals	4
C.	RFP Information Resources.....	5
D.	Procurement Timetable.....	5
E.	Transparency Website: Trade Secrets.....	5
V.	PREPARING PROPOSALS: REQUIRED INFORMATION.....	6
A.	Format of Proposals	6
B.	Required Contents of Proposal	6
1.	Cover Letter.....	7
2.	Executive Summary	7
3.	Professional Qualifications and Specialized Experience of Respondent and Team Members Committed to this Program	8
4.	Professional Qualifications, Specialized Experience and Local Availability of Key Personnel Dedicated to the Services	10
5.	Proposed Solution, Implementation/Management and On-Going Technical Support/Management Plan	11
6.	Dedicated Resources	11
7.	Cost Proposal/Compensation Schedule	12
8.	No Stated MBE/WBE Participation Goals.....	12
9.	Financial Statements	13
10.	Economic Disclosure Statement and Affidavit (“EDS”) and Attachment A: Online EDS Acknowledgement.....	13
11.	Legal Actions	14
12.	Insurance.....	14
13.	Disclosure of Conflicts of Interest	14
VI.	EVALUATING PROPOSALS	15
A.	Evaluation Process.....	15
B.	Evaluation Criteria	16
VII.	SELECTION PROCESS	18
VIII.	ADDITIONAL DETAILS OF THE RFP PROCESS.....	18
A.	Addenda	18
B.	City’s Rights to Reject Proposals	19
C.	No Liability for Costs.....	19
D.	Prohibition on Certain Contributions.- Mayoral Executive Order No. 2011-4.....	19
E.	False Statements	20
F.	Title VI Solicitation Notice	21
G.	Policy Prohibiting Sexual Harassment (Section 2-92-612 of the Chicago Municipal Code)	21

EXHIBITS

EXHIBIT 1: SCOPE OF SERVICES	22
EXHIBIT 1A: ANNUAL CLAIMS VOLUME & TURNAROUND REQUIREMENT.....	34
EXHIBIT 1B: CONTRACTOR CLAIMS PAYMENT FUND REQUIREMENTS	35
EXHIBIT 1C: KEY PERSONNEL/HOURLY RATES	38
EXHIBIT 2: COST PROPOSAL/COMPENSATION SCHEDULE	52
EXHIBIT 3: COMPANY PROFILE INFORMATION	53
EXHIBIT 4: COMPANY REFERENCES/CLIENT PROFILE INFORMATION	54
EXHIBIT 5: MBE/WBE SPECIAL CONDITIONS AND SCHEDULES	55
EXHIBIT 6: ONLINE ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT (EDS) INSTRUCTIONS AND ATTACHMENT A: ONLINE EDS ACKNOWLEDGEMENT	83
EXHIBIT 7: CONTRACT INSURANCE REQUIREMENTS AND INSURANCE CERTIFICATE	91
EXHIBIT 8: CONTRACTUAL REQUIREMENTS RELATED TO HIPAA	96
EXHIBIT 9: CITY OF CHICAGO SAMPLE PROFESSIONAL SERVICES AGREEMENT.....	103
EXHIBIT 10: LOCAL AND OTHER PREFERENCES: ADJUSTMENTS TO THE COST PROPOSAL	104
EXHIBIT 11: DATA POLICY / DATA WITH CONTRACTOR	119
EXHIBIT 12: SEXUAL HARASSMENT POLICY AFFIDAVIT (SECTION 2-92-612)	122

REQUEST FOR PROPOSAL (“RFP”)
for
THIRD PARTY LIABILITY CLAIMS ADMINISTRATOR SERVICES
Specification No. 712589

I. GENERAL INVITATION

A. Purpose of the Request for Proposal

The City of Chicago (“City”) acting through its Department of Law (“Department” or “DOL”), invites the submission of proposals from firms with expertise and experience in Third Party Liability Claims Administrator Services.

The objective of this Request For Proposals (RFP) is to engage a qualified Contractor who can provide supervisory, administrative and investigatory adjustment services of liability claims.

The intention of this RFP is to identify companies capable of handling a portion of the City’s liability claims within the Torts Division of the office of the Corporation Counsel.

Companies with demonstrated experience in this area, and with an interest in making their services available to the City of Chicago, are invited to respond to this RFP.

The work contemplated is professional in nature. It is understood that the Contractor acting as an individual, partnership, corporation or other legal entity, is of professional status, licensed to perform in the State of Illinois and licensed for all applicable professional discipline(s) requiring licensing and will be governed by the professional ethics in its relationship to the City. It is also understood that all reports, information, or data prepared or assembled by the Contractor under a contract awarded pursuant to this RFP are confidential in nature and will not be made available to any individual or organization, except the City, without the prior written approval from the City. Any contract resulting from this document will require the Contractor to execute a statement of confidentiality.

The Contractor shall be financially solvent and each of its members, if a joint venture, its employees, agents or subcontractors of any tier shall be competent to perform the services required under this RFP document.

B. Background

Refer to Exhibit 1A for annual claims volume and turnaround requirement.

C. Internet Access to this RFP

All materials related to the RFP will be available on the internet at:
www.cityofchicago.org/bids.

In the event you do not have download capability, all materials may be obtained from the City of Chicago Department of Procurement Services' Bid & Bond Room, located in Room 103, City Hall, 121 N. LaSalle Street in Chicago, IL 60602.

A Respondent who chooses to download an RFP solicitation instead of picking it up in person will be responsible for checking the aforementioned web site for clarifications and/or addenda, if any. Failure to obtain clarifications and/or addenda from the web site shall not relieve Respondent from being bound by any additional terms and conditions in the clarifications and/or addenda, or from considering additional information contained therein in preparing your Proposal. Note, there may be multiple clarifications and/or addenda. Any harm to the Respondent resulting from such failure shall not be valid grounds for a protest against award(s) made under the solicitation.

All Respondents are responsible for obtaining all RFP materials. If Respondent chooses to download and print an RFP document, the Respondent must contact the City of Chicago, Department of Procurement Services, Bid & Bond Room by emailing BidandBond@cityofchicago.org to register Respondent's company as an RFP document holder, which will enable the Respondent to receive any future clarifications and/or addendum related to this RFP.

The City accepts no responsibility for the timely delivery of materials or for alerting Respondents on posting to the DPS website information related to this RFP.

II. DEFINITIONS

The following defined terms have the meanings specified below.

NOTE: If a defined term is used only once, then it may be defined within the context in which it appears in that paragraph or section.

"Agreement" means the City of Chicago's Professional Services Agreement, including all exhibits attached to it and incorporated in it by reference, and all amendments, modifications, or revisions made in accordance with its terms, as attached in this RFP in Exhibit 9.

"Chief Procurement Officer" or "CPO" means the Chief Procurement Officer of the City of Chicago and any representative duly authorized in writing to act on her behalf.

"Commissioner" or "Corporation Counsel" means the Chief Executive Officer of the City of Chicago Department of Law, and any representative authorized in writing to act on the Corporation Counsel's behalf.

"Contractor" or "Consultant" means the Respondent awarded a contract pursuant to this RFP process.

"Department" or "DOL" means the City of Chicago Department of Law.

"EC" means the Evaluation Committee appointed to review and assess all Proposals, and make its recommendations to the Commissioner concerning its evaluations.

“Proposal” is the written content and documents submitted by a Respondent in response to this RFP.

“Respondent” means the primary entity which submits a Proposal in response to this RFP and may include subcontractors and other affiliates.

“Services” means performance of all tasks, activities and deliverables as described in detail in Exhibit 1, Scope of Services and performed by qualified and licensed personnel of the selected Contractor from this RFP.

III. SCOPE OF SERVICES

A. Description of Services

The services that the City seeks to acquire are described in detail in the Scope of Services, Exhibit 1.

B. Contract Term

Any contract awarded pursuant to this RFP solicitation shall be for a base contract period of five (5) years. The City has the option to extend the term of the contract for two (2) additional one (1) year terms, or an additional 24 – month term beyond the base contract period, subject to acceptable performance by the Contractor and contingent upon the appropriation of sufficient funds for the procurement of services provided for in the contract.

IV. GENERAL INFORMATION AND GUIDELINES

A. *Communications Between the City of Chicago and Respondents*

1. Submission of Questions or Requests for Clarifications

Respondents must communicate only with the Department of Procurement Services. All questions or requests for clarification must be in writing, sent by e-mail, and directed to the attention of Ray Adams, raymond.adams2@cityofchicago.org, Department of Procurement Services, Room 806, City Hall and must be received no later than 4:00 p.m. Central Time, on December 28, 2018. Respondents are encouraged, but not required, to submit questions prior to the scheduled Pre-Proposal Conference.

All questions and requests for clarification must be submitted via e-mail.” The subject line of the email must clearly indicate that the contents are “Questions and Request for Clarification” about the RFP and are “Not a Proposal” and must refer to “Request for Proposal (“RFP”) for Third Party Liability Claims Administrator Services, Specification No. 712589.” No telephone calls will be accepted unless the questions are general in nature.

2. Pre-Proposal Conference

The City will hold a Pre-Proposal Conference at City Hall, 1st Floor Room #103, 121 North LaSalle Street Chicago, Illinois 60602 at 10:00 a.m.. Central Time on November 29, 2018. All parties interested in responding to this RFP are urged to

attend in person. The City requests that all parties planning on attending the Pre-Proposal Conference notify Ray Adams prior to the Pre-Proposal Conference. The e-mail communication shall include the names, titles, e-mail address and phone number of each attendee.

The City will answer questions and clarify the terms of the RFP at the Pre-Proposal Conference. The City may respond both to questions posed on the day of the conference and to questions e-mailed prior to conference. Anything stated at this Pre-Proposal Conference is not intended to change the solicitation document. Any changes will be in writing in the form of an addendum issued by the Department of Procurement Services.

B. *Deadline and Procedures for Submitting Proposals*

1. To be assured of consideration, Proposals must be received by the City of Chicago in the City's Bid & Bond Room (Room 103, City Hall) no later than 4:00 P.M. Central Time on December 28, 2018. The Bid & Bond Room can be reached at telephone number 312-744-9773.
2. The City may, but is not required to accept Proposals that are not received by the date and time set forth in Section IV.B.1 above. Only the Chief Procurement Officer is empowered to determine whether to accept or return late Proposals.

Failure by a messenger delivery service or printing service to meet the deadline will not excuse the Respondent from the deadline requirement. Hand-carried Proposals must be placed in the depository located in the Bid & Bond Room located in Room 103, City Hall. The time of the receipt of all Proposals to this RFP will be determined solely by the clock located in the Bid & Bond Room of City Hall. It is Respondent's sole responsibility to ensure that the Proposal is received as required.

3. Proposals must be delivered to the following address:
Shannon E. Andrews, Chief Procurement Officer
City of Chicago
Department of Procurement Services
Bid & Bond Room
Room 103, City Hall
121 North LaSalle Street
Chicago, Illinois 60602
4. Respondent must submit 1 hardcopy original, 6 electronic copies of the original and 1 redacted copy of the submission in one searchable pdf format, with Pricing/Cost Proposal completed in Excel, all on a USB drive or CD-ROM. The original hardcopy must be clearly marked as "ORIGINAL", and must bear the original signature of an authorized officer on all documents requiring a signature. Copies must be exact duplicates of the ORIGINAL. Respondent must enclose all documents in sealed envelopes or boxes.
5. The outside of each sealed envelope or box must be labeled as follows:

Proposal Enclosed

Request for Proposal (RFP) for Third Party Liability Claims Administrator Services

Specification No. 712589

Due: December 28, 2018 4:00 p.m. Central Time,

Submitted by: (Name of Respondent)

Package ____ of ____

6. The City's opening of Respondent's sealed envelope(s) or package(s) containing a Proposal shall neither be deemed nor constitute acceptance by the City of Respondent's Proposal. The City reserves the right to open and inspect all such sealed envelope(s) or package(s), regardless if the same were submitted by the due date and time specified herein, for any purpose, including without limitation, determining the particular RFP to which Respondent has responded, or determining if a Proposal was submitted by the date and time specified herein.

C. RFP Information Resources

Respondents are solely responsible for acquiring the necessary information or materials. Information for preparing a response to this RFP can be located in the following areas of the City's website: www.cityofchicago.org/Procurement:

- Search MBE/WBE Directory Database
- Pre-Bid/Proposal Conference Attendees
- Addenda and Exhibits, if any.

D. Procurement Timetable

The timetable for the RFP solicitation is summarized below. Note that these are target dates and are subject to change by the City.

Key Activity	Target Date
City Issues RFP	November 16, 2018
Non-Mandatory Pre-Proposal Conference	November 29, 2018
Proposal Questions Due	December 5, 2018
Proposals Due	December 28, 2018

E. Transparency Website: Trade Secrets

Consistent with the City's practice of making available all information submitted in response to a public procurement, all proposals, any information and documentation contained therein, any additional information or documentation submitted to the City as part of this solicitation, and any information or documentation presented to City as part of negotiation of a contract or other agreement may be made publicly available through the City's Internet website.

However, Respondents may designate those portions of the Proposal which contain trade secrets or other proprietary data ("Data") which Respondents desires remain confidential.

To designate portions of the Proposal as confidential, Respondent must:

1. Mark the cover page as follows: "This Proposal includes trade secrets or other proprietary data."
2. Mark each sheet or Data to be restricted with the following legend: "Confidential: Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this RFP."
3. **Provide a CD-ROM with a redacted copy of the entire Proposal or Submission as one .pdf format file for posting on the City's website. Respondent is responsible for properly and adequately redacting any Data which Respondent desires remain confidential. If entire pages or sections are removed, they must be represented by a page indicating that the page or section has been redacted. Failure to provide a CD-ROM with a redacted copy may result in the posting of an un-redacted copy.**

Indiscriminate labeling of material as "Confidential" may be grounds for deeming a Proposal as non-responsive.

All Proposals submitted to the City are subject to the Freedom of Information Act. The City will make the final determination as to whether information, even if marked "confidential," will be disclosed pursuant to a request under the Freedom of Information Act or valid subpoena. Respondent agrees not to pursue any cause of action against the City with regard to disclosure of information.

V. PREPARING PROPOSALS: REQUIRED INFORMATION

Each Proposal must contain all of the following documents and must conform to the following requirements.

A. Format of Proposals

Proposal hardcopies must be prepared on 8 ½" X 11" letter size paper (preferably recycled), printed double-sided, and bound on the long side. The City encourages using reusable, recycled, recyclable and chlorine free printed materials for bids, proposal, reports and other documents prepared in connection with this solicitation. Expensive papers and bindings are discouraged, as no materials will be returned.

Sections should be separated by labeled tabs and organized in accordance with subject matter sequence as set forth in Section V.B. Each page of the Proposal must be numbered in a manner so as to be uniquely identified.

Electronic versions of the original proposal shall be word-searchable and mirror images of the original hardcopy.

B. Required Contents of Proposal

Proposal content must be clear, concise and well organized. Respondent is strongly discouraged from including marketing or promotional materials not related specifically to the focus of this RFP. Respondents are advised to adhere to the submittal requirements of the RFP. Failure to comply with the instructions of this RFP may be cause for rejection of the non-compliant Proposal. Respondent must provide information in the appropriate areas throughout the RFP. By submitting a response to this RFP, you are acknowledging that if your Proposal is accepted by the City, your Proposal and related submittals may become part of the contract. While the City recognizes that Respondents provide costs in varying formats, compliance with the enclosed Compensation Schedule in Exhibit 2 is required to facilitate equitable comparisons.

At a minimum, the Proposal must include the following items:

1. Cover Letter

Respondent must submit a cover letter signed by an authorized representative of the entity committing Respondent to provide the Services as described in this RFP in accordance with the terms and conditions of any contract awarded pursuant to the RFP process. The cover letter must:

- a) Indicate the number of years the company/organization has been in business, and provide an overview of the experience and background of the company/organization and its key personnel committed to this project.
- b) Identify the legal name of the company/organization, its headquarters address, its principal place of business, its legal form (i.e., corporation, joint venture, limited liability company or partnership, etc.), and the names of its principals or partners and authority to do business in Illinois with the most recent documents filed with and obtained from the Secretary of State.
- c) Indicate the name, telephone number(s) and e-mail address of the principal contact for this proposal, oral presentation or negotiations.
- d) Include statement of any objections or comments, to the City of Chicago's standard contract terms and conditions as stipulated in the Sample Professional Services Agreement in Exhibit 9 of this RFP. The Sample Professional Services Agreement is attached for reference to the standard City terms and conditions that apply to all transactions. The contract awarded pursuant to this RFP will be modified to incorporate terms relevant and specific to this procurement, including terms applicable to Third Party Liability Claims Administrator Services and compliance with legal requirements, including those specified in this RFP.
- e) Acknowledge receipt of Addendum issued by the City, if any.

2. Executive Summary

Respondent must provide an executive summary which explains its understanding of the City's intent and objectives and how their Proposal would achieve those objectives. The summary must discuss Respondent's strategy and methodology for successfully implementing and managing the project for the City of Chicago; capacity to perform, and approach to project management, satisfying the scope of services in the RFP and any additional factors for the City's consideration.

The summary should outline the Respondent's overall plan from the initial contract award (or pre-award meetings) phase, to post-initial and on-going operations of contract; general approach to project management and expected deliverables and reports.

3. Professional Qualifications and Specialized Experience of Respondent and Team Members Committed to this Program

If Respondent proposes that major portions of the work will be performed or provided by different team members (e.g. joint venture partners, suppliers (re-sellers), subcontractors, etc.), Respondent must provide the required information as described below for each such team member.

a) Company Profile Information (See Form in Exhibit 3)

Identify participants in Respondent's "Team." For example if Respondent is a business entity that is comprised of more than one legal participant (e.g., Respondent is a general partnership, joint venture, etc.), then Respondent must identify or cause to be identified all participants involved, their respective ownership percentages, and summarize the role, degree of involvement, and experience of each participant separately.

If Respondent has a prime contractor/subcontractor relationship instead, this information regarding role, involvement and experience is also required for any subcontractor that is proposed to provide a significant portion of the work.

Provide a chronological history of all mergers and/or acquisitions involving the Respondent team members, including all present and former subsidiaries or divisions and any material restructuring activities, if applicable. Include any such forthcoming actions, if such disclosure has already been made generally available to the public and is permitted by law.

If Respondent is a joint venture, attach a copy of the joint venture agreement signed by an authorized officer of each joint venture partner. Each partner must execute:

- (i) Schedule B as shown in Exhibit 5, if joint venture includes City of Chicago or Cook County certified MBE/WBE firms(s), as applicable.
- (ii) Separate Economic Disclosure Statement and Affidavit ("EDS") completed by each partner and one in the name of the joint venture as shown in Exhibit 6.
- (iii) Insurance certificate in the name of the joint venture business entity as shown in Exhibit 7.

b) Company References/Client Profile Information (See Form in Exhibit 4)

Respondent must provide at least three (3) references preferably from a municipality or government agency related to a contract of similar scope and magnitude as described in this RFP. Respondent must provide a list of all implementations, both public and private, of the proposed solution and services and implementations in progress. In addition Respondent must provide references for the last three (3)

implementations, both public and private, of the proposed services. Respondent must use the Company Reference/Client Profile Form included in Exhibit 4 for each such reference. Experience will not be considered unless complete reference data is provided. At a minimum, the following information should be included for each client reference:

- Client name, address, contact person name, telephone and email address.
- Description of Services provided similar to the Services and municipal claims areas outlined in Exhibit 1 of this RFP.
- The date when the Service was implemented.
- The location of the project.
- Nature and extent of Respondent's involvement as the prime contractor (also indicate area of secondary responsibility, if applicable) Identify Services, if any, subcontracted, and to what other company.
- Contract term (Start and End date, or indicate if currently providing services)
- The total dollar value of the contract.

Explain any differences from the Third Party Liability Claims Administration program requirements set forth in this RFP, or proposed in response to this RFP, compared to the deliverables provided to any referenced cities or clients.

All client reference information must be supported and verified. Reference contacts must be aware that they are being used and agreeable to City interview for follow-up.

The City may solicit from previous clients, including the City of Chicago, or any available sources, relevant information concerning Respondent's record of past performance.

c) Capacity to Perform City Program

Describe how any uncompleted projects and/or contractual commitments to other clients will affect your ability to deliver services, capacity to perform within City's timeline and affect dedicated resources committed to the City's Third Party Claims Administration program. Respondent must provide a summary of current and future projects and commitments and include projected completion dates. Identify what percentage of the Services will be performed utilizing your own workforce, equipment and facilities. What percentage of the work will be subcontracted?

d) Business License/Authority to do Business in Illinois

Respondent must provide copies of appropriate licenses or certifications required of any individual or entity performing the Services described in this RFP in the City of Chicago, County of Cook and State of Illinois, for itself, its partners and its subcontractors, including evidence that Respondent is authorized by the Secretary of State to do business in the State of Illinois.

If Respondent is not currently "doing business" in Illinois at the time of submission, it is not required to show corporate good standing in Illinois with the proposal;

Respondent should so indicate, and provide evidence of good standing for its state of organization, and primary state of operation, if different. Corporate good standing in Illinois will be required for award of any contract. Provide copies with the Proposal submission.

These requirements will vary depending upon the circumstances of each Respondent. See the Department of Business Affairs and Consumer Protection (BACP) website for additional information: www.cityofchicago.org/businessaffairs.

If required by law, Respondents are required to have an Illinois Business License. See the State of Illinois, Department of Business Services website for additional information: (<http://www.cyberdriveillinois.com/>).

Additionally, visit the State of Illinois' Division of Professional Regulation for information regarding the State of Illinois' Professional Certifications: <http://www.idfpr.com/DPR/>.

4. Professional Qualifications, Specialized Experience and Local Availability of Key Personnel who will be dedicated to the Services described in this RFP.

Respondent must provide a summary of individuals who will be dedicated to the Services described in this RFP. For each key person identified, Respondent must provide the following information:

- a) Summary of the key personnel who will be dedicated to the Services as proposed and consistent with Staffing Plan per Section V.B.6 b.
- b) Key personnel areas of expertise and areas for prime responsibility for various tasks or aspects of the Services.
- c) Resumes or corporate personnel profiles with past experience for each of the key personnel, including a description of their roles and responsibilities on recent projects of similar type, scope, and magnitude relating to the Scope of Services as described in this RFP. Respondent must provide the following information:
 - (i) Title and reporting responsibility.
 - (ii) Proposed role in this program, including the functions and tasks for which they will have prime responsibility (also indicate areas of secondary responsibility, if appropriate)
 - (iii) Pertinent areas of expertise and past experience
 - (iv) Base location (local facility, as applicable)
 - (v) Resumes or corporate personnel profiles which describe their overall experience and expertise.

For each proposed key personnel, describe previous related experience and provide references including: name, address, and telephone number of contact person, and brief description of work history. The City reserves the right to conduct background checks on any personnel within the scope of this engagement.

In addition to resumes, Respondent must provide a detailed description of the roles and responsibilities by job titles (service staff, supervisors, executive managers, etc.). Add any other types of staff/personnel whom the Respondent is proposing.

5. Proposed Solution, Implementation/Management and On-Going Technical Support/ Maintenance Plan

Respondent must describe their proposed solution and provide a comprehensive and detailed implementation and management plan which addresses Third Party Liability Claims Administrator Services requirements as outlined in Exhibit 1, Scope of Services of this RFP. The plan must demonstrate Respondent's capacity to successfully implement and provide technical support for the program requirements and ability to comply with the scope of service and requirements as described in this RFP.

The implementation plan must address, but not be limited to, the following areas:

a) Approach to Implementing Services

Describe your policies and procedures for implementing Third Party Liability Claims Administration programs, quality control/checks, program management, response time, end user training, support & reporting/transaction reconciliation services, including your approach to overcoming obstacles, if any, and troubleshooting to resolve problems.

b) Organization Chart

Submit an organization chart which clearly illustrates the team structure comprising all firms (joint venture partners, if any, subcontractors); their relationship in terms of proposed Services; and key personnel involved and the following information:

- (i) Respondent should provide an organization chart which identifies not only the proposed organizational structure, but also key personnel by name and title. Staffing levels of each organizational unit should be estimated. The specific role of each of the firms/organizations in a team or joint venture for each task/work activity must be described.
- (ii) Respondent must describe the specific role of each of the firms in a team or joint venture for each task/work activity.
- (iii) Respondent should provide an organization chart identifying and showing the relationships between the Respondent and subcontractors. The generic titles and responsibilities of key personnel to be assigned to this Project by the Respondent and by any subcontractor must be identified.

6. Dedicated Resources

a) Facilities, Equipment, and Personnel

Describe facilities, software, equipment, support personnel, communication technologies, and other resources available for implementing the proposed Services.

b) Staffing Plan

Refer to Exhibit 1, Scope of Services, Section E Staffing Requirements Section F Staffing Categories, and H. Staffing Assignments. Provide an assessment of staffing needs for each major activity area by job title and function. Respondent should identify each primary team member working on staff with Respondent, as well as those working in a subcontracting capacity. Provide an assessment of staffing needs for each major activity area by job title and function. The assessment should include full-time equivalents for professional staff and supervisors committed to the City of Chicago project including team structure, numbers and team management plans to achieve requirements for transition, implementation and services.

Submit resumes for key personnel that will be committed to this engagement. Correlate team members to the tasks they will be performing during implementation/transition and on-going operations. For each proposed key personnel, describe previous related experience and provide references including: name, address, and telephone number of contact person, and brief description of work history. The City reserves the right to conduct background checks on any personnel within the scope of this engagement.

7. Cost Proposal/Compensation Schedule

The Respondent must provide a compensation schedule in the format and content as outlined in Exhibit 2 for each year of the base 5 year contract term and two 1 year extension options in order for the Respondent's Proposal to be considered responsive to this section. Proposals that fail to include compensation information in Exhibit 2 will be rejected as incomplete and deemed non-responsive.

All rates must, at a minimum, be provided as requested in Exhibit 2. For purposes of comparing rates among Respondents, Respondent must not deviate from the format outlined in Exhibit 2. The City reserves the right to negotiate final rates, terms, and conditions with selected Respondent.

If Respondent would like the City to apply, in evaluating Respondent's pricing, the (1) Preference for Chicago-based businesses, (2) Incentive for Alternatively Powered Vehicles, or (3) Incentive for Veteran-Owned Small Local Business Enterprises and Eligible Joint Ventures, and/or (4) BEPD Commitment, and (5) Diverse Workforce and Management. Respondent must submit the applicable affidavit(s) with its Proposal. A description of these preferences and affidavits may be found in Exhibit 10, Local and Other Preferences: Adjustments to the Cost Proposal and Affidavits.

8. Minority and Women Business Enterprises Commitment

Respondent must complete and submit the forms that are attached to this RFP in Exhibit 5 to evidence Respondent's proposed MBE/WBE participation in some aspect of the contract. For purposes of your response to this RFP, the minimum Minority Business Enterprise (MBE) participation goal is 25% and the minimum Women Business Enterprise (WBE) participation goal is 5% of the total contract value.

Respondent must submit a completed Schedule D-1 and obtain a separate Schedule C-1 completed and signed by each proposed MBE and WBE firm describing the services to be provided. With each Schedule C-1 form, Respondent should submit a current Letter of Certification issued by the City of Chicago or Cook County. The proposed MBE or WBE firm must be certified by the City of Chicago at the time of Proposal submission. The City reserves the right to require Respondents to replace any proposed MBE/WBE that is not certified with the City of Chicago or Cook County.

Further, the percentage participation for each MBE or WBE firm on the individual Schedule C-1s should match the percentages for each MBE or WBE firm listed on the Schedule D-1. All schedules submitted must be original signature. Failure to submit these documents, or incomplete documents, may result in Respondent being declared non-responsive.

In order to determine the best way in which to achieve and document MBE/WBE participation, Respondent must refer to the Special Conditions Regarding Minority Business Enterprise Commitment and Women Business Enterprise Commitment attached to this RFP as Exhibit 5. To locate MBE/WBE firms who are currently certified with the City of Chicago in various areas of specialty, you can search the City's MBE/WBE Directory Database on the City's website: www.cityofchicago.org/Procurement.

9. Financial Statements

Respondent must provide a copy of its audited financial statements for the last 3 years. Respondents that are comprised of more than one entity must include financial statements for each entity. The City will accept a complete set of financial statements on CD-ROM or USB drive instead of multiple copies, if voluminous for the period requested, but will not accept a web link. Respondents are required to provide required financial statements in sufficient detail for the City to assess its financial condition as part of their proposal submission. The City reserves the right to accept or reject any financial documentation other than the financial statements requested by this section.

If Respondent is unable to provide audited financial statements, state the reasons in your Proposal response and provide financial documentation in sufficient detail to enable the City to assess the financial condition of your company.

Sufficient alternate documentation would be un-audited financial statements from those Respondents not required to have their financial statements audited. At a minimum, the statements need to be the balance sheets and income statements (or equivalent) for the requested three years. Assets/liabilities and income/ expenses must be presented in adequate detail for the City to assess the financial condition of the Respondent.

10. Economic Disclosure Statement and Affidavit ("EDS") and Attachment A: Online EDS Acknowledgement.

Respondent shall complete an Economic Disclosure Statement and Affidavit, Attachment A: Online EDS Acknowledgement. See Online City of Chicago EDS Instructions and Attachment A: Online EDS Acknowledgement, in Exhibit 6. If Respondent is a business entity other than a corporation, then each member, partner, etc., of Respondent must complete an EDS, as applicable, per the instructions on the EDS form. In addition, any entity that has an

interest in Respondent or in one or more of its members, partners, etc., and is required pursuant to the Municipal Purchasing Act for Cities of 500,000 or More Population (65 ILCS 5/8-10-8.5) or Chapter 2-154 of the Municipal Code of Chicago to provide a disclosure must submit a completed and executed EDS as an “entity holding an interest in an Applicant” as described in the EDS. All affidavits must be notarized. Upon completion of Online EDS, **Respondent shall submit a copy of 2 documents with their Proposal: 1) Certificate of Filing printed from system and 2) hardcopy of the executed Attachment A, Online EDS Acknowledgement form.**

The Respondent submitting as the prime must submit the above referenced EDS documents with its Proposal. Subcontractors may be asked, at the City’s discretion, to provide an EDS during the evaluation process.

11. Legal Actions

Respondent must provide a listing and a brief description of all material legal actions, together with any fines and penalties, for the past 5 years in which (i) Respondent or any division, subsidiary or parent entity of Respondent, or (ii) any member, partner, etc., of Respondent if Respondent is a business entity other than a corporation, has been:

- a) A debtor in bankruptcy; or
- b) A plaintiff or defendant in a legal action for deficient performance under a contract or violation of a statute or related to service reliability; or
- c) A respondent in an administrative action for deficient performance on a project or in violation of a statute or related to service reliability; or
- d) A defendant in any criminal action; or
- e) A named insured of an insurance policy for which the insured has paid a claim related to deficient performance under a contract or in violation of a statute or related to service reliability; or
- f) A principal of a bond for which a surety has provided contract performance or compensation to an obligee of the bond due to deficient performance under a contract or in violation of a statute or related to service reliability; or
- g) A defendant or respondent in a governmental inquiry or action regarding accuracy of preparation of financial statements or disclosure documents.

The City reserves the right to request similar legal action information from Respondent’s team members during the evaluation process.

12. Insurance

Respondent should include a statement that they can comply with the City’s insurance requirements. Prior to contract award, the selected Respondent will be required to submit evidence of insurance in the amounts specified in the attached Exhibit 7.

13. Disclosure of Conflicts of Interest

The City expects that the Respondent will not have any conflicts of interests (including, but not limited to, any conflicts based on Respondent’s participation in other City contracts). Therefore, Respondent should include in its Proposal a description of any actual or potential conflicts of interest.

VI. EVALUATING PROPOSALS

A. Evaluation Process

An Evaluation Committee, which will include the representatives from the Department of Law, the Department of Procurement Services and may include representatives of other departments of the City ("Evaluation Committee" or "EC") will review and evaluate the Proposals, as described below.

In evaluating Proposals, the EC will first consider the completeness and responsiveness of the Respondent's Proposal. The Proposal evaluation process is organized into three phases:

Phase I - Preliminary Proposal Assessment

Phase II - Proposal Evaluation

Phase III - Site Visits, Product/System Demonstrations, and/or Oral Presentations (if necessary)

Phase I - Preliminary Proposal Assessment

Phase I will involve an assessment of the Respondent's compliance with and adherence to all submittal requirements requested in Section V. B, Required Content of the Proposal. Proposals which are incomplete and missing key components necessary to fully evaluate the Proposal may, at the discretion of the EC, be rejected from further consideration due to "non-responsiveness" and rated Non-Responsive. Proposals providing responses to all sections will be eligible for detailed analysis in Phase II, Proposal Evaluation.

Phase II - Proposal Evaluation

In Phase II, the EC will evaluate the extent to which a Respondent's Proposal meets the requirements set forth in the RFP. Phase II will include a detailed analysis of the Respondent's qualifications, experience, proposed solution, implementation/management and on-going technical support/maintenance plan, cost proposal, and other factors based on the evaluation criteria outlined in Section VI. B, Evaluation Criteria.

As part of the evaluation process, the EC will review the information required by Section V, for each Proposal received. The EC may also review other information gained by checking references and by investigating the Respondent's financial condition.

The City reserves the right, after advertisement of the RFP, to refine the Scope of Services, with appropriate notice. Further, if, upon receipt of Proposals, the City wishes to make refinements to the Scope of Services, it may, depending upon the circumstances, provide the revision to all Respondents and invite revised proposals from the Respondents based upon the revised Scope of Services.

The City reserves the right to seek clarification of any information that is submitted by any Respondent in any portion of its Proposal or to request additional information at any time during the evaluation process. Any material misrepresentation made by a Respondent may void the Proposal and eliminate the Respondent from further consideration.

The City reserves the right to enlist independent consulting services to assist with the evaluation of all or any portion of the Proposal responses as it deems necessary.

B. Evaluation Criteria

In Phase II, the Evaluation Committee will review the Respondent's Proposal to determine overall responsiveness and completeness of the Proposal with respect to the components outlined in the RFP using the following criteria (not necessarily listed in order of importance) as applicable:

1. Professional and Technical Competence

- a) Ability to provide the Services described in the RFP, including capacity to perform the Scope of Services described in Exhibit 1 of this RFP.
- b) Professional Qualifications and Specialized Experience of Respondent and its Team on projects of similar scope and magnitude (e.g., specifically with respect to large organizations, and government agencies).
- c) Professional Qualifications and Specialized Experience of Respondent's Key Personnel (and Team Members) and Local Availability of Key Personnel committed to the City of Chicago.
- d) References / Past and Current Performance of the Respondent (and Team members) on other contracts in terms of quality of services, operating within budget and compliance with performance schedules. The Committee may solicit from current and/or previous clients including the City of Chicago, other government agencies, or any available sources, relevant information concerning the Respondent's record of performance.

2. Quality, Comprehensiveness and Adequacy of the proposed Solution, Implementation/Management and On-going Technical Support/Maintenance Plan:

The EC will consider the quality, comprehensiveness and adequacy of the proposed implementation/management plan for the Third Party Liability Claims Administrator Services program including the staffing plan, local availability and commitment of personnel who will manage and oversee the City of Chicago account.

The Evaluation Committee will review each Proposal for the Respondent's understanding of the objectives of the Services and how these objectives may be best accomplished. Each Respondent will be evaluated on their overall strategy, methodology and approach to meeting the City's service level needs.

3. Compensation Schedule

The City will consider completeness and adequacy of the cost as per the Compensation Schedule, Exhibit 2. In evaluating the reasonableness of the proposed rebate schedule, the City may apply: (1) Preference for Chicago-based businesses, (2) Incentive for

Alternatively Powered Vehicles, (3) Incentive for Veteran-Owned Small Local Business Enterprises and Eligible Joint Ventures, and/or (4) BEPD Commitment, as applicable.

4. MBE/WBE Compliance Plan

The EC will evaluate the level, relevancy, and quality of participation by MBE/WBE firms certified by the City of Chicago or Cook County. It should be noted that non-responsiveness to this requirement may be cause for the prospective Respondent to be disqualified.

5. Legal Actions

The EC will consider any legal actions, if any, against Respondent and any division, subsidiary or parent company of Respondent, or against any member, partner, etc., of Respondent if Respondent is a business entity other than a corporation.

6. Financial Stability

The EC will consider the financial condition of Respondent. Respondent must be financially stable to ensure performance over the duration of the contract.

7. Compliance with Laws, Ordinances, and Statutes

The EC will consider Respondent's compliance with all laws, ordinances, and statutes governing the contract. See Online City of Chicago EDS Instructions and Attachment A, Online EDS Acknowledgement form in Exhibit 6.

8. Degree to which the Respondent accepts the City's Terms and Conditions

Respondent must indicate the degree to which it accepts the City's terms and conditions, including in the Scope of Services and in the City's Sample Professional Services Agreement in Exhibit 9. A Respondent that takes material objections to the City's terms and conditions may be found to be non-responsive and its Proposal may be rejected.

9. Insurance

The EC will consider the statement or other information confirming Respondent's ability to comply with the City's insurance requirements specified in Exhibit 7 of the RFP.

10. Conflict of Interest

The EC will consider any information regarding Respondent, including information contained in Respondent's Proposal, that may indicate any conflicts (or potential conflicts) of interest which might compromise Respondent's ability to satisfactorily perform the proposed Services or undermine the integrity of the competitive procurement process. If any Respondent has provided any services for the City in researching, consulting, advising, drafting, or reviewing of this RFP or any services related to this RFP, such Respondent may be disqualified from further consideration.

VII. SELECTION PROCESS

After the Evaluation Committee (“EC”) completes its review of Proposals in Phase II, it may submit to the Corporation Counsel and Chief Procurement Officer a recommended short list of Respondents (Phase III), or the EC may forego Phase III and submit a recommendation to select one Respondent, or a recommendation to reject any or all Proposals.

Phase III- Site Visit, Product/System Demonstration and/or Oral Presentations

If the EC submits a short list of Respondents for further review, then, in the sole discretion of the Corporation Counsel and the Chief Procurement Officer, those short-listed Respondents may be subject to a site visit, product/system demonstration and/or be invited to appear before the Evaluation Committee for an oral presentation to clarify in more detail information what was submitted in Respondent’s Proposal; and/or to ask Respondent to respond to additional questions. The City may request product/system demonstrations for short listed finalists.

Following oral presentations, the Evaluation Committee will make a final evaluation of the Respondents and submit its recommendation to the Corporation Counsel. Such recommendation may be to enter into negotiations with only one Respondent or may be to enter into negotiations with more than one Respondent.

Upon receipt of the EC’s recommendation, the Corporation Counsel will submit a decision (concurrence or rejection of the EC’s recommendation) to the Chief Procurement Officer. The Chief Procurement Officer shall then consider the Corporation Counsel’s recommendation and exercise her authority to either notify the Respondent(s) to enter into contract negotiations or reject the recommendation and offer alternate options.

The City will require the selected Respondent(s) to participate in contract negotiations. In order to award a contract that represents the best value to the City, as determined by the Corporation Counsel and the Chief Procurement Officer, the City reserves the right to enter into concurrent competitive price negotiations with one or more qualified Respondent(s). The City’s requirement that a selected Respondent negotiate is not a commitment by the City to award a contract.

The City reserves the right to terminate this RFP solicitation at any stage if the Chief Procurement Officer determines this action to be in the City’s best interest. The receipt of Proposals or other documents will in no way obligate the City of Chicago to enter into any contract of any kind with any party.

VIII. ADDITIONAL DETAILS OF THE RFP PROCESS

A. Addenda

If it becomes necessary to revise or expand upon any part of this RFP, an addendum will be sent (electronically or by mail) to all of the prospective Respondents listed on the “Take Out Sheet” prior to the Proposal due date. A copy of addenda associated with this RFP specification number will also be posted on the City of Chicago Department of Procurement Services’ website and may be downloaded in lieu of being sent the addendum. Prospective Respondents are listed on the Take Out Sheet when they pick-up a copy of the RFP package from the Bid & Bond Room and leave a business card, e-mail BidandBond@cityofchicago.org or call in to the Bid & Bond Room to register their company as having downloaded a copy of the RFP prior to the Proposal due date. Each

addendum is incorporated as part of the RFP documents, and the prospective Respondent should acknowledge receipt.

Respondents are solely responsible for acquiring the necessary information or materials from the Bid and Bond room.

Copies of the take-out list, and any addenda, are available from the Department of Procurement Services Bid & Bond Room 103, City Hall, 121 North LaSalle Street, Monday-Friday, 8:30 a.m. - 4:30 p.m.; 312-744-9773; and via the Internet at the Department of Procurement Services website: www.cityofchicago.org/Procurement

An addendum may include, but will not be limited to, the following:

1. Responses to questions and requests for clarification sent to the Department of Procurement Services; or
2. Responses to questions and requests for clarification raised at the Pre-Proposal Conference; or
3. Responses to questions and requests for clarification which were sent in by the deadline for submission of questions; all in accordance with the provisions of Section IV A.1 herein.

B. City's Rights to Reject Proposals

The City of Chicago, acting through its Chief Procurement Officer, reserves the right to reject any and all Proposals that do not conform to the requirements set forth in this RFP; or that do not contain at least the information required by this RFP. If no Respondent is selected through this RFP process, then the Chief Procurement Officer may utilize any other procurement method available under the Municipal Purchasing Act and the Municipal Code of Chicago, to obtain the Services described in this RFP or as may otherwise be so required.

C. No Liability for Costs

The City is not responsible for costs or damages incurred by Respondents, member(s), partners, subcontractors, or other interested parties in connection with the RFP process, including but not limited to costs associated with preparing the Proposal and/or participating in any conferences, site visits, demonstrations, oral presentations or negotiations.

D. Prohibition on Certain Contributions.- Mayoral Executive Order No. 2011-4

No Contractor or any person or entity who directly or indirectly has an ownership or beneficial interest in Contractor of more than 7.5% ("Owners"), spouses and domestic partners of such Owners, Contractor's Subcontractors, any person or entity who directly or indirectly has an ownership or beneficial interest in any Subcontractor of more than 7.5% ("Sub-owners") and spouses and domestic partners of such Sub-owners (Contractor and all the other preceding classes of persons and entities are together, the "Identified Parties"), shall make a contribution of any amount to the Mayor of the City of Chicago (the "Mayor") or to his political fundraising committee during (i) the bid or other

solicitation process for this Contract or Other Contract, including while this Contract or Other Contract is executory, (ii) the term of this Contract or any Other Contract between City and Contractor, and/or (iii) any period in which an extension of this Contract or Other Contract with the City is being sought or negotiated.

Contractor represents and warrants that since the date of public advertisement of the specification, request for qualifications, request for proposals or request for information (or any combination of those requests) or, if not competitively procured, from the date the City approached the Contractor or the date the Contractor approached the City, as applicable, regarding the formulation of this Contract, no Identified Parties have made a contribution of any amount to the Mayor or to his political fundraising committee.

Contractor shall not: (a) coerce, compel or intimidate its employees to make a contribution of any amount to the Mayor or to the Mayor's political fundraising committee; (b) reimburse its employees for a contribution of any amount made to the Mayor or to the Mayor's political fundraising committee; or (c) bundle or solicit others to bundle contributions to the Mayor or to his political fundraising committee.

The Identified Parties must not engage in any conduct whatsoever designed to intentionally violate this provision or Mayoral Executive Order No. 2011-4 or to entice, direct or solicit others to intentionally violate this provision or Mayoral Executive Order No. 2011-4.

Violation of, non-compliance with, misrepresentation with respect to, or breach of any covenant or warranty under this provision or violation of Mayoral Executive Order No. 2011-4 constitutes a breach and default under this Contract, and under any Other Contract for which no opportunity to cure will be granted. Such breach and default entitles the City to all remedies (including without limitation termination for default) under this Contract, under Other Contract, at law and in equity. This provision amends any Other Contract and supersedes any inconsistent provision contained therein.

If Contractor violates this provision or Mayoral Executive Order No. 2011-4 prior to award of the Contract resulting from this specification, the CPO may reject Contractor's bid.

For purposes of this provision:

"Other Contract" means any agreement entered into between the Contractor and the City that is (i) formed under the authority of MCC Ch. 2-92; (ii) for the purchase, sale or lease of real or personal property; or (iii) for materials, supplies, equipment or services which are approved and/or authorized by the City Council.

"Contribution" means a "political contribution" as defined in MCC Ch. 2-156, as amended.

"Political fundraising committee" means a "political fundraising committee" as defined in MCC Ch. 2-156, as amended.

E. False Statements

1. 1-21-010 False Statements

Any person who knowingly makes a false statement of material fact to the city in violation of any statute, ordinance or regulation, or who knowingly falsifies any statement of material fact made in connection with an application, report, affidavit, oath, or attestation, including a statement of material fact made in connection with a bid, proposal, contract or economic disclosure statement or affidavit, is liable to the city for a civil penalty of not less than \$500.00 and not more than \$1,000.00, plus up to three times the amount of damages which the city sustains because of the person's violation of this section. A person who violates this section shall also be liable for the city's litigation and collection costs and attorney's fees.

The penalties imposed by this section shall be in addition to any other penalty provided for in the municipal code. (Added Coun. J. 12-15-04, p. 39915, § 1)

2. 1-21-020 Aiding and Abetting

Any person who aids, abets, incites, compels or coerces the doing of any act prohibited by this chapter shall be liable to the city for the same penalties for the violation. (Added Coun. J. 12-15-04, p. 39915, § 1)

3. 1-21-030 Enforcement

In addition to any other means authorized by law, the corporation counsel may enforce this chapter by instituting an action with the department of administrative hearings. (Added Coun. J. 12-15-04, p. 39915, § 1)

F. Title VI Solicitation Notice

The City in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.

G. Policy Prohibiting Sexual Harassment (Section 2-92-612 of the Chicago Municipal Code)

If this Contract was advertised on or after June 30, 2018, Respondent shall, as prescribed by the Chief Procurement Officer, attest by affidavit (in the form of the "Sexual Harassment Policy Affidavit" Exhibit 12 attached hereto) that Respondent has a written policy prohibiting sexual harassment that shall include, at a minimum, the following information: (i) the illegality of sexual harassment; (ii) the definition of sexual harassment; and (iii) the legal recourse available for victims of sexual harassment.

EXHIBIT 1

SCOPE OF SERVICES

THIRD PARTY LIABILITY CLAIMS ADMINISTRATOR SERVICES

The selected Respondent ("Contractor") must manage municipal claims as assigned in the following areas.

- | | | |
|--------------------|----------------------|--|
| 1) Auto | 5) EMS | 9) Premises |
| 2) Property | 6) Infrastructure | 10) Bodily Injury |
| 3) Police Practice | 7) Natural Disasters | 11) Insurance Policy/Contract Analysis |
| 4) Fire | 8) Forestry | |

A. GENERAL REQUIREMENTS

1. Supervise administrative and adjustment services on claims as defined in Section B of this Scope.
2. Obtain records and data through City departments, database searches, and outside sources.
3. Investigate the accident site: review, coordinate, process, monitor, and interview witnesses, photograph, take measurements, and recommend findings to the Department of Law Claims Manager ("Law Department Claims Manager") or Torts Division Deputy Corporation Counsel or designee, as well as transmit support documents to insurers and assist in the settlement and payment of claims.
4. Maintain on a consistent basis all claim files and records necessary for processing claims and legal defense for liability claims or litigation.
5. Maintain status reports on all pending claims and provide summary reports for loss, by line of coverage, in an accurate and timely manner that will be established by the City.
6. Develop procedures and reports as required by the City on hard copy and in a database.
7. Provide automobile transportation for Contractor's Claims Adjusters for the term of the Agreement as set forth in the Cost Proposal (Exhibit #2); provide vehicle agreement specifications and insurance plan). The City will reimburse parking for each in an approved City parking location (contact Law Department Claims Manager for a list of current approved locations).
8. Provide communication equipment necessary to communicate with the adjusters in the field and others for the term of the Agreement as set forth in the Cost Proposal (Exhibit #2) and specified in Deliverables (D.1.g.).
9. Provide digital equipment necessary to record video, photographs, and person to person interviews as set forth in the Cost Proposal (Exhibit #2) and specified in Deliverables (D.1.h.).
10. Provide an automated claims risk management system for the term of the Agreement as set forth in the Cost Proposal (Exhibit #2) and specified in Deliverables (D.1.i. and D.1.j. option).

11. During Implementation, integrate City third party claims data from a flat file format into Contractor's computer system. The current data bank dates back to 01/01/1995. Proposal must include Contractor's approach to this integration and testing strategies to ensure successful migration of data.
12. When this Agreement expires or if this Agreement is terminated for any reason, Contractor must provide an electronic copy of all data that Contractor has inputted into Contractor's computer system. Such information will be provided in a format as specified by the City at no cost. Contractor will also provide all hard copy files and information as requested by the City.

B. SERVICE REQUIREMENTS

1. Investigation of Liability Claims
 - a. Contractor must establish consistent protocols to provide technical claim and litigation support to the Torts Division, which includes taking video, photographs, measurements, statements, reviewing accidents, interviewing witnesses, providing transportation of witnesses to and from hearings, general investigating, including meeting with experts to inspect equipment and infrastructure, internet and social media investigation, and performing other tasks as deemed appropriate by the Law Department. The Contractor will provide staffing and equipment necessary to perform these duties.
2. Prompt Open / Close Period
 - a. Claims are designated within two categories: Routine and Complex. The Law Department Claims Manager will determine the category of respective claim after reviewing claim file. Routine claims must be opened, closed and paid within a 70 day / 10-week period. Complex claims must be opened, closed and paid within a 182 day / 26-week period. Contractor will be responsible for maintaining 80% adherence for handling claims within designated periods. Failure to maintain compliance at this level will constitute an event of default. See Exhibit #1A for current claims statistics.
 - b. Contractor will be required to provide full justification as to why any claim is not processed within designated period
 - c. The Law Department Claims Manager has the authority to remove any open claim from the aging list due to extenuating circumstances surrounding the claim. Such claims will not be included within the 80% performance measurement.
3. Reporting Requirements
 - a. Contractor must establish consistent claims reporting procedures, including contact names and phone numbers. In addition, Contractor, with City approval, must develop and provide appropriate forms and instructions for use. Contractor must specify their reporting protocols.

4. Availability and Work Hours of Claims Service
 - a. General Coverage: Claims Administrator must provide general on-site coverage Monday through Friday from 8:00 am – 6:00 pm with a minimum of two adjusters on site and Saturday 8:00 am – 12 noon with a minimum of one adjuster on site.
 - b. On Call Requirement: Unit Manager or his/her assigned designee must be on call to the City 24 hours a day, 7 days per week with the ability to respond to site location.
 - c. Services Requirement: Claims administrator must provide outside claims adjuster services, inside claims specialist services and general claims administration services.
 - d. Position Requirements: Contractor must provide a staff of competent, qualified personnel who are fully-equipped, available as needed and able to perform the Services as specified in Staffing Category Requirements (See Section E).
5. Claims and Settlement Authority
 - a. Contractor will have no settlement authority with respect to assigned claims; and the right and authority to settle all claims remains solely with the City.
6. Limitation of Investigation
 - a. The City will retain the right to withhold assignment or to withdraw the assignment of all or any part of one or more investigations assigned to Contractor.
7. Consultation with Outside Counsel
 - a. Upon assignment from the City, Contractor must cooperate or consult with outside counsel to the City, as directed by the City. The City will have the sole right to engage or discharge attorneys or law firms, and under no circumstances may Contractor engage or discharge attorneys or law firms on the City's behalf. As soon as the City has retained outside counsel to defend the City with respect to a particular incident or claim, the Law Department will notify Contractor. If outside counsel or counsel within the Law Department wishes Contractor's investigators to interview or refrain from taking statements, or to prepare or to refrain from preparing certain reports, counsel will make this known to Contractor, and Contractor must follow the direction of counsel. Contractor must be available at all reasonable times for consultation with the Law Department or outside counsel with respect to claims and incidents covered by the Agreement.
8. Claims and Expense Payments
 - a. Contractor must issue claim settlement and allocated expense checks through a Claims Payment Fund in accordance with

Contractor Claims Payment Fund Requirements (see Exhibit #1B, Contractor Claims Payment Fund Requirements).

C. ON-SITE LOCATION

1. Contractor's Liability Claims Unit will be housed in a dedicated work area within the Torts Division of the Law Department, which is currently located at 30 North LaSalle Street, Suite 800, Chicago, Illinois. The City will furnish Contractor with furniture and office supplies for use within the Law Department offices.

D. DELIVERABLES

1. Contractor must be capable of providing the following:
 - a. Reporting:
 - Investigation Reports: An initial investigation report of each incident or claim must be provided by Unit Manager to the Law Department Claims Manager or Torts Division Deputy Corporation Counsel or designee upon completion of the investigation. At the request of the Law Department Claims Manager, copies of the investigation reports must also be provided to outside counsel retained by the City's Law Department. Contractor must provide a sample(s) of investigative reports currently used.
 - Monthly Statistical Claims Reports: Monthly statistical summary reports must be provided by Unit Manager to the Law Department to include open and closed file statistical information. In addition, other ad hoc statistical reports may be requested by the Law Department Claims Manager and/or Torts Division Deputy Corporation Counsel designee as needed. Contractor must provide a sample(s) of reports utilized to monitor work progress.
 - b. Monthly Status Review: The City will monitor performances under the Agreement by requiring monthly status review conferences with the Unit Manager (additional meetings may be scheduled at the discretion of the Law Department Claims Manager, or Torts Division Deputy Corporation Counsel or designee). Topics may include but not limited to the following:
 - Status of field work.
 - Adherence to Contractor's stated staffing category requirements.
 - Identification of problems requiring resolution.
 - A six-month overall assessment of the Third Party Claims Administration Services program. Topics of discussion will include but not limited to:
 - 1) Performance
 - 2) Operations

- 3) Responsiveness
 - 4) Quality of Services
- c. Staffing Categories:
- The Law Department reserves the right to approve any increase/decrease within staffing structure as deemed necessary to Claims Unit operations. Should the City decide to exercise this option, the level of compensation will be amended according to the pricing structure as set forth in the Cost Proposal (Exhibit #2). A minimum thirty days' notice must be provided to effect such change.
 - Contractor must have onsite a minimum of one position with a bilingual (English/Spanish) person. Contractor must propose a staffing structure that will allow Contractor to fulfill processing and completion of claims as prescribed within this scope of services. All respondents must include the provision of an onsite Unit Manager who will serve as direct and day to day liaison for Contractors Claims Unit. Contractor must describe within their proposed staffing structure how the following tasks will be delivered.
 - 1) Outside Claims Adjustment Services
 - 2) Inside Claims Specialization Services
 - 3) General Claims Administration Services
 - 4) Reporting Services
 - 5) Litigation Support
- d. Training and Development:
- Contractor must provide a copy of current training program(s); particularly to unit managers and others as applicable to performing claims administration services for the City of Chicago. Include sample training modules, manuals, and course work as applicable. Also, include certification designations offered by contractor such as CPCU, ARM and AIC.
 - All claims staff must be qualified and be properly trained to assist the Department of Law in a professional manner. Contractor is responsible for training all staff assigned to the Claims Department. Staff must be appropriately trained so that there is minimal need for on the job training.
- e. Screening: Any staff placements by Contractor must have completed a thorough and comprehensive background screening. The screening process should incorporate a minimum of age and name verification, drug testing and criminal background screening. Contractor's staff must be bonded.
- f. Performance Complaints: Contractor must designate the Unit Manager as liaison to respond to and resolve all complaints directed to Contractor by Law Department personnel and one director or officer of the company who will respond to any unresolved management performance problems. These persons will make all

- reasonable efforts to resolve problems effectively and efficiently and will follow up to ensure that problems do not recur.
- g. **Mobile Communication Devices:** Field adjusters will be required to respond to communications at all times while representing the City. Contractor is responsible for providing equipment to perform this task. This equipment could be a mobile communication device such as a smart phone or other handheld device that can transmit and receive voice communications, text communications and email communications. Equipment must possess latest generation technology or be adaptable to next generation enhancement. Contractor can provide equipment that integrates requirements stated in D.1.g and D.1.h. (include technical specification sheet with proposal).
 - h. **Digital Recording Equipment:** Claims staff is responsible for providing technical claims and litigation support during all investigations. Contractor is responsible for providing equipment to perform this task. This equipment could be a digital camera, tablet or high functioning integrated smart phone. Equipment must possess the latest technology and capture and transmit voice communication, photography and video in a digital format. Digital files must be capable of being uploaded to Contractor's RMS infrastructure in native file format. Contractor can provide equipment that integrates requirements stated in D.1.g and D.1.h. (include technical specification sheet with proposal).
 - i. **Risk Management System (RMS):** Contractor must provide an automated claims management system to the City for use by the Contractor's personnel located on-site at the City and the City's Torts Division of the Law Department. Upon expiration or termination of the Agreement, the City will maintain the rights to all data and hard copy files and information secured as a result of this Agreement. The system must provide monthly statements of loss which contain the following data elements; claimant, claim number, location, date of incident, type of incident, claim status (open, closed without payment, declines), multiple claimants, amount paid by coverage line (bodily injury and property damage), expenses, reserves and total incurred. Contractor must provide all computer hardware and equipment. Contractor is responsible for any and all expenses incurred for the updating and compliance of the automated claims management system. Contractor must include in their proposal all terms and conditions pertaining to the City's use of the automated claims management system. This should include but not be limited to technical specifications pertaining to system set-up and utilization, licensing conditions, maintenance and back-up / secondary operational provisions in the event of downed systems.
 - j. **Optional Web Based Portal:** Contractor will maintain a web-based electronic reporting system which will allow public submission of claims to the City Claims Unit. This portal will be accessed through

a description narrative and electronic link from the City of Chicago website; once users click on the electronic link, the front page of the Contractor RMS should have a clear description that they have accessed the City of Chicago Claims portal. From this point forward there shall be a smooth transition and integration to the city component of the Contractor RMS. The portal shall be user friendly and link to electronic mirror images of the three claim forms (see Exhibit #1C) used by the City, and permit upload of supporting documents, photographs, video, and other data. Uploads will be captured in native file formats and stored within the respective claims file. Portal will permit remote access by City Claims Unit and others as authorized by the City. Contractor will ensure that the web-based electronic reporting system is compliant with the Americans with Disabilities Act throughout the life of the contract.

E. STAFFING CATEGORY REQUIREMENTS

1. Staffing Structure

The Law Department reserves the right to approve any increase/decrease within the staffing structure as deemed necessary to Claims Unit operations. Should the City decide to exercise this option, the level of compensation will be amended according to the pricing structure as set forth in the Cost Proposal/Compensation Schedule (Exhibit #2). A minimum thirty days' notice must be provided to effect such change.

Contractor must fulfill a minimum of one position with a bilingual (English/Spanish) person.

The Contractor will staff Claims Unit so that the following functions may be carried out in an efficient and professional manner:

- a. Unit Manager
- b. Claims Supervision
- c. Outside Claims Adjustment
- d. Inside Claims Handling
- e. Administration of General Claims
- f. Litigation File Preparation / Support

In accordance with City policy, the City of Chicago will have no involvement in the Contractor's hiring process.

F. STAFFING CATEGORIES

Contractor must supply staffing who will provide the following services by category:

1. Unit Manager

Duties include, but are not limited to:

- Implement, communicate and manage policies that will successfully deliver the handling of tort claims.
- Manage and direct claims operation and effectively manage and communicate operational procedures to staff.
- Perform quality assurance and periodic audits of claims files.
- Provide on the job training to staff members and continuing education courses in order to continuously maintain high standards of operation and professionalism. This would include but not be limited to being up to date on current codes, trends and industry standards, and standard operating procedures.
- Meet with claimants in their homes, place of business, facilitate repairs to damaged property, and facilitate the replacement of destroyed personal property.
- Physically inspect premises, property, loss and/or damages including taking measurements and photographs.
- Work with vendor services such as contractors, emergency repair, cleaning services and various replacement services.
- Provide guidance, leadership and/or analytical support to staff.
- Provide ad hoc statistical reports to the Law Department Claims Manager summarizing monthly status of claims.
- Identify opportunities for efficiencies and improvements in order to make recommendations and communicate key messages to team and Law Department Claims Manager.
- Drive to multiple incident locations and must maintain a valid driver's license.
- Must be able to effectively coordinate strategic planning and execution involving high exposure incidents.
- Must be flexible and open to working more than 40 hours a week and available to weekends or after normal business hours as needed.
- Special projects as assigned.

Minimum Qualifications:

- Valid driver license (driving record must be verified by Contractor).
- Excellent organizational skills to coordinate activities and programs.
- Solid knowledge of theories and practices within the Claims field operations; knowledge of Claims management practices, Company operations and applicable policies.
- Previous successful claims management experience at the branch office level required (minimum two years' experience as a branch office claims manager preferred).
- Strong analytical, problem solving and process monitoring skills.
- Must have ability to handle a variety of claims including: Auto, Property, Police Practice, Fire, EMS, Infrastructure, Natural Disasters, Forestry, Bodily Injury and Premises (trip and fall).

- Strong negotiation skills.
- Effective communication skills to explain the incident facts and logic used to arrive at decisions in a way that a claimant understands.
- Written skills to compose clear, succinct descriptions when posting files and drafting correspondence.
- Knowledge of contract language, including regulatory and policy differences.
- College degree, plus a minimum of 10 years of progressively responsible related work experience required.
- Must have fundamental knowledge in policies covering the eight claims areas as described. Specific examples include but are not limited to: home owners, auto, business, commercial, general liability, and construction wrap-up policies.
- Advanced and current insurance related designations/CPCU preferred or ARM.

2. Claim Litigation / Claims Handling

Duties include, but are not limited to:

- Work under the direction and guidance of Unit Manager.
- Implement, communicate and manage policies that will successfully deliver the handling of tort claims.
- Manage and direct claims operation and effectively communicate operational procedures to staff under the guidance of Unit Manager.
- Supervise claims staff and help direct work flow as directed by Unit Manager.
- Meet with claimants in their homes, place of business, facilitate repairs to damaged property, and facilitate the replacement of destroyed personal property.
- Physically inspect premises, property, loss and/or damages including taking measurements and photographs.
- Work with vendor services such as contractors, emergency repair, cleaning services and various other types of contractors.
- Drive to multiple locations and must maintain a valid driver's license.
- Must be able to effectively coordinate strategic planning and execution involving high exposure incidents.
- Must be flexible and open to working more than 40 hours a week and available to weekends or after normal business hours as needed.
- Special projects as assigned.
- Prepare claims file for litigation, which includes securing all relevant and necessary documents for Tort Defense.
- Excellent verbal communication skills.
- Computer literate and ability to work in a fast-paced environment.
- Answer, screen, and direct incoming calls.
- Take messages and document phone conversations.

Minimum Qualifications:

- Valid driver license (driving record must be verified by Contractor).
- Excellent organizational skills to coordinate activities and programs.
- Solid knowledge of theories and practices within the claims field operations; knowledge of claims management practices, company operations and applicable policies.
- Previous successful claims supervisory experience at the branch office level required (minimum one-year experience as a branch office claims supervisor preferred).
- Strong analytical, problem solving and process monitoring skills.
- Self-starter and possess strong negotiation skills.
- Effective communication skills to explain the incident facts and logic used to arrive at decisions in a way that a claimant understands.
- Written skills to compose clear, succinct descriptions when posting files and drafting correspondence.
- Minimum of 7 years relevant and progressively responsible related work experience.
- Must have fundamental knowledge and experience handling municipal claims and insurance coverage issues and policies including the ten claims areas as described. Specific examples include but are not limited to: home owners, auto, business, commercial, general liability, and construction wrap-up policies.
- Advanced and current insurance related designations/CPCU preferred or ARM.

3. Inside / Outside Claims Adjustment

Duties include, but are not limited to:

- Coordinate and perform claim investigations and litigation support through contact with claimants, witnesses, City attorneys, and experts.
- Effectively negotiate claim settlements.
- Obtain records and data through City departments, database searches, and outside sources.
- Physically inspect premises, property, loss and/or damages including taking measurements, photographs, and video.
- Maintain progress claim diary notes and claims files.
- Ability to recognize potential fraud and recovery/subrogation.
- Advise the claimant on the claim handling process.
- Provide status updates and make timely responses to requests as directed.
- Maintain professional and technical knowledge through on the job training and continuing education.
- Must be flexible and open to working more than 40 hours a week and available to weekends or after normal business hours as needed.
- Drive to multiple locations and must maintain a valid driver's license.

- Able to work in fast paced and rigorous work environment.
- Computer literate and ability to work in a fast-paced environment.
- Answer, screen, and direct incoming calls.
- Take messages and document phone conversations.
- Analyze information and prepare written claims analyses with well-reasoned and factually supportable recommendations.

Minimum Qualifications:

- Valid driver license (driving record must be verified by Contractor).
- Strong interpersonal skills.
- Self-motivated and team service oriented.
- 2-3 years of previous field property claims experience.
- Able to negotiate and troubleshoot.
- Strong communication skills both oral and written.
- Excellent time management and organizational skills.
- Must have fundamental knowledge of insurance coverage issues and types of policies including the ten claims areas as described. Specific examples include but are not limited to: home owners, auto, business, commercial, general liability, and construction wrap-up policies.
- Work remotely with minimal supervision.

4. General Claims Administration

Duties include, but are not limited to:

- Computer literate and ability to work in a fast-paced environment.
- Answer, screen, and direct incoming calls.
- Take messages and document phone conversations.
- File, distribute mail and other general administrative tasks.
- General office duties as required.

Minimum Qualifications:

- Organized, dependable and punctual.
- Have a professional manner and appearance.
- Excellent verbal communication skills.
- 1-2 years of related experience in customer service, office environment.
- Strong PC Skills, MS Word, MS Excel.

G. GENERAL

The Contractor will be required to provide skilled, professional personnel necessary to perform the required services with sufficient training, orientation and qualifications in accordance with the City's requirements. The Contractor will be required, to the extent applicable, to follow the City "Data Protection Requirements For Contractors, Vendors

And Third Parties” as updated from time to time (Exhibit 11). Contractor and all its Subcontractors must comply with HIPAA and all rules and regulations applicable to it or them. Additionally, if Contractor is a Business Associate it must execute and comply with all requirements of the HIPAA applicable to Business Associates including the provisions contained in Exhibit 8.”

H. STAFFING ASSIGNMENTS

The Contractor must immediately, upon receiving an executed copy of the Agreement, assign and maintain a staff of competent qualified personnel, available as needed and qualified to perform the Services as required by the Agreement. The Contractor must comply with all provisions of applicable licensing laws and with administrative policies adopted by the City.

In the event of any position absences in excess of the agreed upon schedule of leave, the City will receive a pro-rated reduction for the period of time missed. The Contractor must notify the City of any absences of qualified personnel assigned to the City at least twenty-four (24) hours in advance. If the absence is not known twenty-four (24) hours in advance, the Contractor must call the City immediately upon notification of the absence. Should any qualified personnel assigned to the City fail to report to work as scheduled and notification to the City is not provided, the City will notify the Contractor immediately. Contractor reserves the right to substitute any leave of absence with a qualified individual capable of assuming required tasks.

If the City determines that the performance of qualified personnel assigned to perform Services under this Agreement is at an unacceptable level, the City will notify the Contractor of such and meet with the Contractor to discuss the performance issue and steps to remedy this, including replacement of the non-performer(s). Failure to remedy the situation by the Contractor will constitute an event of default.

The Contractor may be required to come to the City’s offices to physically remove qualified personnel who are intoxicated or hostile and the cost of any such removal will be borne by the Contractor. Any such determination will be made in accordance with the City’s substance abuse policy.

EXHIBIT #1A

ANNUAL CLAIMS VOLUME & TURNAROUND REQUIREMENT

CLAIMS AREA ¹	ANNUAL VOLUME ²		CLAIM PERIOD OPEN to CLOSE (average period)		PAYMENT PERIOD ISSUANCE to DEPOSIT (business days)	FILE COSE- OUT AFTER DEPOSIT (business days)
	2017	2018 (through 03/1)	Routine (35% of Volume)	Complex (65% of Volume)		
Automobile / Property Damage	303 Incidents	17 Incidents	70 Days	182 Days	5 Days	2 Days
Automobile / Bodily Injury	134 Incidents	14 Incidents	70 Days	182 Days	5 Days	2 Days
General Liability / Property Damage	600 Incidents	42 Incidents	70 Days	182 Days	5 Days	2 Days
General Liability / Bodily Injury	147 Incidents	5 Incidents	70 Days	182 Days	5 Days	2 Days
Litigative Claims Investigation ³	2,000 hours (average)	360 hours (average)	NA	NA	NA	NA
TOTAL	1,184 Incidents	78 Incidents	70 Days	182 Days	5 Days	2 Days

¹ Encompasses Auto, Property, Police Practice, Fire, Infrastructure, Natural Disasters, Forestry and Premises (Trip and Fall).

² Current volumes; 1,862 average annual incident volume over prior 10 years (2008 – 2017).

³ Not based on volumes; assumption is based on current staffing hours committed to conducting litigative claims investigations, including internal and social media searches.

EXHIBIT #1B

CONTRACTOR CLAIMS PAYMENT FUND REQUIREMENTS

Purpose

Upon the request of Contractor, the City will remit to Contractor an amount necessary for Contractor to maintain a Claims Payment Fund in the amount of \$100,000. Contractor will then draw down from this amount on a monthly basis and request replenishment of this amount as prescribed in this Agreement. Contractor must use this Claims Payment Fund solely to pay claim settlements and allocated expenses pursuant to this Agreement; provided, however, that no such payment may be made without the express, written authorization of the Corporation Counsel. The Claims Payment Fund must be segregated in an account, which contains no funds other than the Claims Payment Fund in a City approved depository with federal deposit insurance. No funds other than the Claims Payment Fund may be commingled in this account and no withdrawals other than Claims Payment Fund payments may be made from this account. Contractor has only possession of the Claims Payment Fund expressly in trust for the City, and Contractor has no ownership interest in the Claims Payment Fund and may not pledge the Claims Payment Fund nor, in any manner, assert a beneficial interest in the Claims Payment Fund or cause or permit a lien to be placed on the Claims Payment Fund. If Contractor files for bankruptcy protection or initiates the case under Title II of the United States Code ("Bankruptcy Code"), or has a case initiated against it under the Bankruptcy Code, then the Claims Payment Fund may not be considered property of the bankruptcy estate, and the City will have the right to immediate turnover of the Claims Payment Fund.

Payment Exceptions

Contractor will submit claim payment requests in excess of \$7,000 directly to the Law Department finance section for replenishment to the fund. Once replenishment check is received, Contractor will issue respective claims check. Certain high-volume incidents will also qualify for direct replenishment. Contractor will follow all standard approval and reconciliation protocols. Direct replenishments are established to alleviate cash flow concerns related to high dollar amount payments that tend to exhaust fund balances quickly and cause standard payment of claims to become back logged.

Payment of Allocated Expenses

"Allocated Expenses" include such third party costs as commercial photographers' fees, experts' fees, fees for independent medical examinations, witnesses' travel expenses, court reporters' fees, transcript fees, the costs of obtaining public records, witnesses' fees, automobile appraisal fees, rehabilitation fees, Central Index Bureau or other index filing fees, and trial and hearing attendance expenses. Contractor must review any activity requiring any Allocated Expense with the Law Department Claims Manager prior to the undertaking of such activity. No Allocated Expense may be incurred unless the Deputy Corporation Counsel of the Torts Division or his designee ("Deputy") has approved such Allocated Expense or the activity generating such Allocated Expense prior to the incurrence thereof. All Allocated Expenses will be paid from the Claims Payment Fund. All payments for Allocated Expenses from the Claims Payment Fund must be in the amounts shown on original bills with no mark-up, surcharge or additional fee whatsoever. Only such Allocated Expenses as are set forth in this section, elsewhere in this Agreement, or are otherwise agreed to in writing by the City will be paid from the Claims Payment Fund.

Payment from the Claims Payment Fund

In the event of the settlement of a claim or a request for payment of allocated expenses, Contractor must provide the City with a request for payment in a form acceptable to the Deputy. Any request for payment of allocated expenses must be supported by such documentation, as the Deputy, in his sole discretion, deems necessary to authorize payment of such request. Each request for payment will be reviewed and approved by the Deputy. No payment may be made from the Claims Payment Fund without the approval of the Deputy. Upon direction of the Deputy, Contractor must generate and disburse a check for payment of a claim or allocated expenses.

Records and Reconciliation

Contractor must maintain a complete and accurate record of all deposits to and payments from the Claims Payment Fund. Such records must be available to the City for audit, inspection, copying, abstracting and transcriptions at reasonable times during the performance of the Services. Contractor must maintain such records for a period of not less than 5 years from the date of final payment under the terms of this Agreement, and the resolution of all other pending matters, whichever is later.

Reconciliation of the Claims Payment Fund must be made by Contractor to the City on a monthly basis. Such reconciliation will be in a form acceptable to the Corporation Counsel, and will include a detailed statement of each month's financial activity including, but not necessarily limited to, deposits made, payments issued, the payee, the amount of the check, the type of payment (e.g., claim settlement, specific type of allocated expense, the claim number, and the name of the claimant). Contractor will reconcile the Claims Payment Fund through the last day of each month against payments made by the Contractor. Contractor must provide written notice of the reconciliation to the City within ten (10) business days following Contractor's receipt of the prior month's bank statement.

Level of Depletion and Replenishment of Claims Payment Fund

Contractor will provide an account balance report for all replenishment requests. Replenishment requests should be timed so that these are submitted when the account balance approximates \$50,000. This will provide the Contractor with working capital and the Law Department ample time to process the replenishment request. This notice will indicate the funding required, as of the date of that notice, to replenish the Claims Payment Fund to the level of \$100,000 ("Replenishment Requirement"). The City will deposit via wire transfer to the Claims Payment Fund an advance payment equal to the Replenishment Requirement within approximately 20 business days after the City receives notice of the replenishment requirement. In the event that the Claims Payment Fund is fully depleted, Contractor must not issue checks until the Claims Payment Fund is replenished. Failure of the City to replenish the Claims Payment Fund will not constitute a breach of this Agreement.

Indemnification

It is the sole responsibility of Contractor to verify that all requests for payment must be in full compliance with this Agreement and all pertinent statutes, ordinances, rules and regulations. Contractor must reimburse the City for any overpayment, duplicate payments or otherwise improper payments made from the Claims Payment Fund; provided, however, that in agreeing to provide such reimbursement, Contractor in no way limits its liability or duty to indemnify the City pursuant to this Agreement. Further, Contractor understands that by receiving such

reimbursement the City does not waive its right to any other remedy, which may be available at law or in equity.

Final Reconciliation

In the event of the termination of this Agreement, for any reason, a final reconciliation of amounts paid and amounts due from the Claims Payment Fund must be provided to the City within 30 days of such termination. If there are insufficient amounts remaining in the Claims Payment Fund to make such payments as may be due, the City will pay to Contractor an amount sufficient to make such payments within 30 days of the City's receipt of the Contractor's final reconciliation. If, after all amounts due from the Claims Payment Fund are paid and funds remain in the Claims Payment Fund, Contractor must pay to the City an amount equal to such remainder within 3 days of the City's receipt of the Contractor's final reconciliation.

EXHIBIT #1C(i)

AUTO LIABILITY PROPERTY DAMAGE / PERSONAL INJURY CLAIM FORM

Indicates
required field *

Claimant Information

Claimant Name:* _____

Street Address:* _____

City/State/Zip
Code:* _____

Telephone
Number: _____

(Home) (Work) (Mobile)

Injured Person Information

☐ Injured

Person same as
claimant

Name of injured
person: _____

Street Address: _____

City/State/Zip
Code: _____

Telephone
Number: _____

(Home) (Work) (Mobile)

General Claim Information

Date & Time of _____ (Date)
Incident:* _____ (Time)

Street Address of
Incident
or Location of
Incident: * _____

City/State of
Incident: _____

Describe in Detail
How Incident
Occurred:* _____

Describe injuries:
(If applicable)* _____

Police Report
Number: _____

Insurance Information

Full Name of
Insurance
Company: _____

Street Address: _____

City/State/Zip
Code: _____

Adjuster Name: _____

Telephone
Number: _____

Name of Policy
Holder: _____

Policy Number: _____

Policy Period: _____ (Effective Date) _____ (Expiration Date)

Claim Number: _____

Claimant Vehicle Information

_____(Make) _____(Model)
Claimant's
Vehicle: _____(Year) _____(License Plate No.)
_____(State of License)

Name of Driver: _____

City Vehicle Information

Name of City
Driver: _____

City Vehicle
License Plate
Number: _____

City Department _____

Involved:

City Department
Report Number: _____

Witness Information

Name of Witness
to Incident: _____

Street Address: _____

City/State/Zip
Code: _____

Telephone
Number: _____

(Home)

(Work)

(Mobile)

Additional Information

Comments: _____

Two Written
Estimates
Attached:
(Cost to Repair
Damages)

Yes ☒

No ☒

Paid Bill
Attached:

Yes ☒

No ☒

Signature Information

VERIFICATION BY CERTIFICATION

☐ Under penalties as provided by law pursuant to Section 1-109 of the Code of Civil Procedure, the undersigned certifies that the statements set forth in this instrument are true and correct.*

Preparer's Name:* _____

Claimant Signature: * _____

Date:* _____

Preparer Signature: _____ Date: _____

City of Chicago Claims Unit
30 N. LaSalle Street, Suite 800
Chicago, IL 60602
(312) 744-5650 Voice
(312) 744-5449 Fax

EXHIBIT #1C (ii)

GENERAL LIABILITY - PERSONAL INJURY CLAIM FORM

Indicates
required field *

Claimant Information

Claimant Name:* _____

Street Address:* _____

City/State/Zip
Code:* _____

Telephone
Number: _____

(Home)

(Work)

(Mobile)

Injured Person Information

☐ Injured

Person same as
claimant

Name of injured
person: _____

Street Address: _____

City/State/Zip
Code: _____

Telephone
Number: _____

(Home)

(Work)

(Mobile)

General Claim Information

Date & Time of _____(Date)
Incident:* _____(Time)

Describe in Detail
How Incident
Occurred:*

Describe
injuries:*

Street Address of
Incident
or Location of
Incident: *

City/State of
Incident:

Police Report
Number:

Witness Information

Name of Witness
to Incident: _____

Street Address: _____

City/State/Zip
Code: _____

Telephone
Number: _____

(Home)

(Work)

(Mobile)

Treating Physician/Facility

Name of Facility: _____

Name of Treating
Physician: _____

Street Address: _____

City/State/Zip
Code: _____

Telephone
Number: _____

Additional Information

Additional
Comments: _____

Signature Information

VERIFICATION BY CERTIFICATION

☐ Under penalties as provided by law pursuant to Section 1-109 of the Code of Civil Procedure, the undersigned certifies that the statements set forth in this instrument are true and correct.*

Preparer's Name:* _____

Claimant Signature: * _____

Date:* _____

Preparer Signature: _____ Date:

City of Chicago Claims Unit
30 N. LaSalle Street, Suite 800
Chicago, IL 60602
(312) 744-5650 Voice
(312) 744-5449 Fax

EXHIBIT #1C (iii)

GENERAL LIABILITY - PROPERTY DAMAGE CLAIM FORM

Indicates
required
field *

Claimant Information

Claimant
Name:*

Street
Address:*

City/State/Zip
Code:*

Telephone
Number:

(Home)

(Work)

(Mobile)

General Claim Information

Date & Time _____ (Date)
of Incident: * _____ (Time)

Describe in
Detail How
Incident
Occurred:*

Street
Address of
Incident
or Location

of Incident:
*

City/State of
Incident: _____

Police
Report
Number: _____

Insurance Information

Full Name of
Insurance
Company: _____

Street
Address: _____

City/State/Zip
Code: _____

Adjuster
Name: _____

Telephone
Number: _____

Insurance Information (Continued)

Name of
Policy
Holder: _____

Policy
Number: _____

Policy
Period: _____ (Effective Date) _____ (Expiration Date)

Claim

Number:

Witness Information

Name of
Witness to
Incident:

Street
Address:

City/State/Zip
Code:

Telephone
Number:

(Home)

(Work)

(Mobile)

Additional Information

Reason for
Claim and
Remedy
Sought:

City
Department
Involved:

City
Department
Report
Number:

Two
Written

Yes ☒ No ☒

Estimates
Attached:
(Cost to
Repair
Damages)

Paid Bill
Attached: Yes No

Signature Information

VERIFICATION BY CERTIFICATION

☐ Under penalties as provided by law pursuant to Section 1-109 of the Code of Civil Procedure, the undersigned certifies that the statements set forth in this instrument are true and correct.*

Preparer's Name: * _____

Claimant Signature: * _____

Date: * _____

Preparer Signature: _____ Date: _____

City of Chicago Claims Unit
30 N. LaSalle Street, Suite 800
Chicago, IL 60602
(312) 744-5650 Voice
(312) 744-5449 Fax

EXHIBIT 1D: KEY PERSONNEL

COMPANY NAME: _____

	Title	Hourly Rate
1		
2		
3		
4		
5		
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		

EXHIBIT 2: COST PROPOSAL/COMPENSATION SCHEDULE

(per five-year contract term; potential two-year extension option)

THIRD PARTY LIABILITY CLAIMS ADMINISTRATOR SERVICES

EXPENSE ITEM	YEAR 1 2019 COST MAX MONTHLY	YEAR 2 2020 COST MAX MONTHLY	YEAR 3 2021 COST MAX MONTHLY	YEAR 4 2022 COST MAX MONTHLY	YEAR 5 2023 COST MAX MONTHLY	EXT YEAR 1 2024 COST MAX MONTHLY	EXT YEAR 2 2025 COST MAX MONTHLY
Unit Manager							
Additional Staffing (specify line for each)							
Personnel Sub-Total: Salaries							
Employee Benefits (% of total salaries)							
Personnel Total (salaries + benefits)							
Telecommunication Devices (specify units)							
Contractor Vehicles (specify units)							
Contractor Parking (specify units)							
Computer Hardware / DSL / Independent Network (for onsite staff / RMIS)							
Risk Management Information System							
Web Portal (Optional)							
Reports (specify individual/bulk pricing)							
Data Conversion Costs							
SUB-TOTAL							
SUB-TOTAL OF OTHER ADDITIONS							
OVERALL TOTAL							

- Insert additional lines as needed.
- Please include a detailed explanation of costs and percentages, as well as comments to any additions/deletions to this chart.
- Provide additional documentation as needed.

EXHIBIT 3

COMPANY PROFILE INFORMATION

Submit a completed company profile information sheet for prime, each joint venture partner and subcontractor(s), as applicable.

- (1) Legal Name of Firm: _____
- (2) Doing Business under Other Company Name?
If yes, Name of Company: _____
- (3) Headquarters Address: _____
- (4) City, State, Zip Code: _____
- (5) Web Site Address: _____
- (6) Proposed Role: ☐ Prime ☐ Subcontractor/Sub-consultant ☐ Joint Venture Partner
 ☐ Supplier or ☐ Other: _____
- (7) Number of Years in Business:

- (8) Total Number of Employees:

- (9) Total Annual Revenues separated by last 3 full fiscal years:

- (10) Major Products and/or Services Offered:

- (11) Other Products and/or Services:

- (12) Briefly describe your firm's strategy for providing Third Party Liability Claims Administrator Services for clients:

- (13) Briefly describe your firm's experience with Third Party Liability Claims Administrator Services for clients:

EXHIBIT 4

COMPANY REFERENCES/CLIENT PROFILE INFORMATION

Submit a completed client profile information sheet for each company reference. Provide a minimum of 3 references.

- (1) Client Name: _____
- (2) Address: _____
- (3) City, State, Zip Code: _____
- (4) Project Manager: _____
- (5) Telephone Number: _____
- (6) E-mail: _____
- (7) Number of Employees in Client Organization: _____
- (8) Project Scope of Services/Goals: _____

- _____
- _____
- (9) Contract Award Date: _____ Completion Date: _____
 - (10) Initial Contract Amount: \$_____ Final Contract Amount: \$_____

- (11) Describe how the client's goals were met. Describe how the Third Party Liability Claims Administrator Services were implemented. Attach additional pages, as necessary.

- _____
- _____
- _____
- (12) Discuss significant obstacles to providing the required services and how those obstacles were overcome:

- _____
- _____
- _____
- (13) Is the client still utilizing the Third Party Liability Claims Administrator Services?

- _____
- _____
- _____
- (14) What was the cost/financing structure of the contract?

EXHIBIT 5
MBE/WBE SPECIAL CONDITIONS AND SCHEDULES



CITY OF CHICAGO
Department of Procurement Services
Shannon E. Andrews, Chief Procurement Officer
121 North LaSalle Street, Room 806
Chicago, Illinois 60602-1284
Fax: 312-744-0010

MBE & WBE SPECIAL CONDITIONS FOR COMMODITIES OR SERVICES CONTRACTS

5. SPECIAL CONDITIONS REGARDING MINORITY BUSINESS ENTERPRISE COMMITMENT AND WOMEN BUSINESS ENTERPRISE COMMITMENT FOR COMMODITIES OR SERVICES

5.1. Policy and Terms

It is the policy of the City of Chicago that Local Businesses certified as Minority Owned Business Enterprises (MBE) and Women Owned Business Enterprises (WBE) in accordance with Section 2-92-420 et seq. of the Municipal Code of Chicago and Regulations Governing Certification of Minority and Women-owned Businesses and all other Regulations promulgated under the aforementioned sections of the Municipal Code, as well as MBEs and WBEs certified by Cook County, Illinois, will have full and fair opportunities to participate fully in the performance of this contract. Therefore, the Contractor will not discriminate against any person or business on the basis of race, color, sex, gender identity, age, religion, disability, national origin, ancestry, sexual orientation, marital status, parental status, military discharge status or source of income and will take affirmative action to ensure that women and minority businesses will have the maximum opportunity to compete for and perform subcontracts for supplies or services.

Pursuant to Section 2-92-430 of the Municipal Code of Chicago, the Chief Procurement Officer has established a goal of awarding not less than 25% of the annual dollar value of all non-construction contracts to certified MBEs and 5% of the annual dollar value of all non-construction contracts to certified WBEs.

Accordingly, the Contractor commits to make Good Faith Efforts to expend at least the following percentages of the total contract price (inclusive of any and all modifications and amendments), if awarded, for contract participation by MBEs and WBEs:

MBE Percentage	WBE Percentage
<u>25</u> %	<u>5</u> %

(See Form "*Bidders Commitment to Utilize MBE and WBE Firms on No Stated Goals Contract*" for Contract Specific Goals in the case of a contract subject to a bid preference pursuant to MCC 2-92-525.)

This commitment is met by the Contractor's status as a MBE or WBE, or by a joint venture with one or more MBEs or WBEs as prime contractor (to the extent of the MBE or WBE participation in such joint venture), or by subcontracting a portion of the work to one or more MBEs or WBEs, or by the purchase of materials used in the performance of the contract from one or more MBEs or WBEs, or by any combination of the foregoing.

Note: MBE/WBE participation goals are separate and those businesses certified with the City of Chicago as both MBE and WBE may only be listed on a bidder's compliance plan as either a MBE or a WBE, but not both to demonstrate compliance with the Contract Specific Goals.

The Contractor also may meet all or part of this commitment through credits received pursuant to Section 2-92-530 of the Municipal Code of Chicago for the voluntary use of MBEs or WBEs in private sector contracts.

Pursuant to MCC 2-92-535, the prime contractor may apply be awarded an additional 0.5 percent credit, up to a maximum of a total of 5 percent additional credit, for every 1 percent of the value of a contract self-performed by MBEs or WBEs, or combination thereof, that have entered into a mentoring agreement with the contractor or subcontractor-to-subcontractor mentoring agreement. This up to 5% may be applied to the Contract Specific Goals, or it may be in addition to the Contract Specific Goals.

5.2. Definitions

"Area of Specialty" means the description of an MBE or WBE firm's business which has been determined by the Chief Procurement Officer to be most reflective of the MBE or WBE firm's claimed specialty or expertise. Each MBE/WBE letter of certification contains a description of the firm's Area of Specialty. This information is also contained in the Directory (defined below). Credit toward this Contract's MBE and WBE participation goals shall be limited to the participation of firms performing within their Area of Specialty.

NOTICE: *The City of Chicago does not make any representation concerning the ability of any MBE/WBE to perform work within their Area of Specialty. It is the responsibility of all contractors to determine the capability and capacity of MBEs/WBEs to satisfactorily perform the work proposed.*

"Bid" means a bid, proposal, or submittal detailing a description of the services or work to be provided by the contractor in response to a bid solicitation, request for proposal, request for qualification of task order request (issued in accordance with the Master Consulting Agreement) that is issued by the City.

"Bidder" means any person or business entity that submits a bid, proposal, qualification or submittal that seeks to enter into a contract with the City, and includes all partners, affiliates and joint ventures of such person or entity.

"Broker" means a person or entity that fills orders by purchasing or receiving supplies from a third party supplier rather than out of its own existing inventory and provides no commercially useful function other than acting as a conduit between his or her supplier and his or her customer.

"Chief Procurement Officer" or "CPO" means the chief procurement officer of the City of Chicago or his or her designee.

"Commercially Useful Function" means responsibility for the execution of a distinct element of the work of the contract, which is carried out by actually performing, managing, and supervising the work involved, evidencing the responsibilities and risks of a business owner such as negotiating the terms of (sub)contracts, taking on a financial risk commensurate with the contract or its subcontract, responsibility for acquiring the appropriate lines of credit and/or loans, or fulfilling responsibilities as a joint venture partner as described in the joint venture agreement.

"Contract Specific Goals" means the subcontracting goals for MBE and WBE participation established for a particular contract. In the case of a contract subject to the bid incentive set forth in MCC 2-92-525, "Contract Specific Goals" means the utilization percentage for MBEs or WBEs to which contractor committed with its bid.

"Contractor" means any person or business entity that has entered into a contract with the City as described herein, and includes all partners, affiliates, and joint ventures of such person or entity.

"Direct Participation" the value of payments made to MBE or WBE firms for work that is performed in their Area of Specialty directly related to the performance of the subject matter of the Contract will count as Direct Participation toward the Contract Specific Goals.

"Directory" means the Directory of Certified "Minority Business Enterprises" and "Women Business Enterprises" maintained and published by the City of Chicago. The Directory identifies firms that have been certified as MBEs and WBEs, and includes both the date of their last certification and the area of specialty in

which they have been certified. Contractors are responsible for verifying the current certification status of all proposed MBE, and WBE firms.

"Good Faith Efforts" means actions undertaken by a bidder or contractor to achieve a Contract Specific Goal that the CPO or his or her designee has determined, by their scope, intensity, and appropriateness to the objective, can reasonably be expected to fulfill the program's requirements.

"Indirect Participation" refers to the value of payments made to MBE or WBE firms for work that is done in their Area of Specialty related to other aspects of the Contractor's business. (Note: no dollar of such indirect MBE or WBE participation shall be considered in a Good Faith Efforts determination more than once against a contractor's MBE or WBE commitment with respect to all government contracts held by that contractor.)

"Joint venture" means an association of a MBE or WBE firm and one or more other firms to carry out a single, for-profit business enterprise, for which each joint venture partner contributes property, capital, efforts, skills and knowledge, and in which the MBE or WBE is responsible for a distinct, clearly defined portion of the work of the contract and whose share in the capital contribution, control, management, risks, and profits of the joint venture are commensurate with its ownership interest.

"Mentor-Protégé Agreement" means an agreement between a prime and MBE or WBE subcontractor ("Mentoring Agreement"), or an agreement between a prime's subcontractor and MBE or WBE subcontractor ("Subcontractor-to-Subcontractor Mentoring Agreement"), pursuant to MCC 2-92-535, that is approved by the City of Chicago and complies with all requirements of MCC 2-92-535 and any rules and regulations promulgated by the Chief Procurement Officer.

"Minority Owned Business Enterprise" or "MBE" means a firm awarded certification as a minority owned and controlled business in accordance with City Ordinances and Regulations as well as a firm awarded certification as a minority owned and controlled business by Cook County, Illinois. However, it does not mean a firm that has been found ineligible or which has been decertified by the City or Cook County.

"Municipal Code of Chicago" or "MCC" means the Municipal Code of the City of Chicago.

"Supplier" or "Distributor" refers to a company that owns, operates, or maintains a store, warehouse or other establishment in which materials, supplies, articles or equipment are bought, kept in stock and regularly sold or leased to the public in the usual course of business. A regular distributor or supplier is a firm that owns, operates, or maintains a store, warehouse, or other establishment in which the materials or supplies required for performance of a contract are bought, kept in stock, and regularly sold to the public in the usual course of business. To be a regular distributor the firm must engage in, as its principal business and in its own name, the purchase and sale of the products in question. A regular distributor in such bulk items as steel, cement, gravel, stone, and petroleum products need not keep such products in stock if it owns or operates distribution equipment.

"Women Owned Business Enterprise" or "WBE" means a firm awarded certification as a women owned and controlled business in accordance with City Ordinances and Regulations as well as a firm awarded certification as a women owned business by Cook County, Illinois. However, it does not mean a firm that has been found ineligible or which has been decertified by the City or Cook County.

5.3. Joint Ventures

The formation of joint ventures to provide MBEs and WBEs with capacity and experience at the prime contracting level, and thereby meet Contract Specific Goals (in whole or in part) is encouraged. A joint venture may consist of any combination of MBEs, WBEs, and non-certified firms as long as one member is an MBE or WBE.

- a. The joint venture may be eligible for credit towards the Contract Specific Goals only if:
 - i. The MBE or WBE joint venture partner's share in the capital contribution, control, management, risks and profits of the joint venture is equal to its ownership interest;
 - ii. The MBE or WBE joint venture partner is responsible for a distinct, clearly defined portion of the requirements of the contract for which it is at risk;

- iii. Each joint venture partner executes the bid to the City; and
 - iv. The joint venture partners have entered into a written agreement specifying the terms and conditions of the relationship between the partners and their relationship and responsibilities to the contract, and all such terms and conditions are in accordance with the conditions set forth in Items i, ii, and iii above in this Paragraph a.
- b. The Chief Procurement Officer shall evaluate the proposed joint venture agreement, the Schedule B submitted on behalf of the proposed joint venture, and all related documents to determine whether these requirements have been satisfied. The Chief Procurement Officer shall also consider the record of the joint venture partners on other City of Chicago contracts. The decision of the Chief Procurement Officer regarding the eligibility of the joint venture for credit towards meeting the Contract Specific Goals, and the portion of those goals met by the joint venture, shall be final.

The joint venture may receive MBE or WBE credit for work performed by the MBE or WBE joint venture partner(s) equal to the value of work performed by the MBE or WBE with its own forces for a distinct, clearly defined portion of the work.

Additionally, if employees of the joint venture entity itself (as opposed to employees of the MBE or WBE partner) perform the work, then the value of the work may be counted toward the Contract Specific Goals at a rate equal to the MBE or WBE firm's percentage of participation in the joint venture as described in Schedule B.

The Chief Procurement Officer may also count the dollar value of work subcontracted to other MBEs and WBEs. Work performed by the forces of a non-certified joint venture partner shall not be counted toward the Contract Specific Goals.

c. **Schedule B: MBE/WBE Affidavit of Joint Venture**

Where the bidder's Compliance Plan includes the participation of any MBE or WBE as a joint venture partner, the bidder must submit with its bid a Schedule B and the proposed joint venture agreement. These documents must both clearly evidence that the MBE or WBE joint venture partner(s) will be responsible for a clearly defined portion of the work to be performed, and that the MBE's or WBE's responsibilities and risks are proportionate to its ownership percentage. The proposed joint venture agreement must include specific details related to:

- i. The parties' contributions of capital, personnel, and equipment and share of the costs of insurance and bonding;
- ii. Work items to be performed by the MBE's or WBE's own forces and/or work to be performed by employees of the newly formed joint venture entity;
- iii. Work items to be performed under the supervision of the MBE or WBE joint venture partner; and
- iv. The MBE's or WBE's commitment of management, supervisory, and operative personnel to the performance of the contract.

NOTE: Vague, general descriptions of the responsibilities of the MBE or WBE joint venture partner do not provide any basis for awarding credit. For example, descriptions such as "participate in the budgeting process," "assist with hiring," or "work with managers to improve customer service" do not identify distinct, clearly defined portions of the work. Roles assigned should require activities that are performed on a regular, recurring basis rather than as needed. The roles must also be pertinent to the nature of the business for which credit is being sought. For instance, if the scope of work required by the City entails the delivery of goods or services to various sites in the City, stating that the MBE or WBE joint venture partner will be responsible for the performance of all routine maintenance and all repairs required to the vehicles used to deliver such goods or services is pertinent to the nature of the business for which credit is being sought.

5.4. Counting MBE/WBE Participation Toward the Contract Specific Goals

Refer to this section when preparing the MBE/WBE compliance plan and completing Schedule D-1 for guidance on what value of the participation by MBEs and WBEs will be counted toward the stated Contract Specific Goals. The "Percent Amount of Participation" depends on whether and with whom a MBE or WBE subcontracts out any portion of its work and other factors.

Firms that are certified as both MBE and WBE may only be listed on a bidder's compliance plan as either a MBE or a WBE to demonstrate compliance with the Contract Specific Goals. For example, a firm that is certified as both a MBE and a WBE may only be listed on the bidder's compliance plan under one of the categories, but not both. Except as provided in MCC 2-92-525(b)(2), only Payments made to MBE and WBE firms that meet BOTH the Commercially Useful Function and Area of Specialty requirements above will be counted toward the Contract Specific Goals.

- a. Only expenditures to firms that perform a Commercially Useful Function as defined above may count toward the Contract Specific Goals.
 - i. The CPO will determine whether a firm is performing a commercially useful function by evaluating the amount of work subcontracted, whether the amount the firm is to be paid under the contract is commensurate with the work it is actually performing and the credit claimed for its performance of the work, industry practices, and other relevant factors.
 - ii. A MBE or WBE does not perform a commercially useful function if its participation is only required to receive payments in order to obtain the appearance of MBE or WBE participation. The CPO may examine similar commercial transactions, particularly those in which MBEs or WBEs do not participate, to determine whether non MBE and non WBE firms perform the same function in the marketplace to make a determination.
 - iii. Indications that a subcontractor is not performing a commercially useful function include, but are not limited to, labor shifting and equipment sharing or leasing arrangements with the prime contractor or a first tier subcontractor.
- b. Only the value of the dollars paid to the MBE or WBE firm for work that it performs in its Area of Specialty in which it is certified counts toward the Contract Specific Goals, except as provided in MCC 2-92-525(b)(2).
- c. For maintenance, installation, repairs or inspection, or professional services, if the MBE or WBE performs the work itself: 100% of the value of work actually performed by the MBE's or WBE's own forces shall be counted toward the Contract Specific Goals, including the cost of supplies and materials purchased or equipment leased by the MBE or WBE from third parties or second tier subcontractors in order to perform its (sub)contract with its own forces (except supplies and equipment the MBE or WBE subcontractor purchases or leases from the prime contractor or its affiliate). 0% of the value of work at the project site that a MBE or WBE subcontracts to a non-certified firm counts toward the Contract Specific Goals.
- d. If the MBE or WBE is a manufacturer: 100% of expenditures to a MBE or WBE manufacturer for items needed for the Contract shall be counted toward the Contract Specific Goals. A manufacturer is a firm that operates or maintains a factory or establishment that produces on the premises the materials or supplies obtained by the bidder or contractor.
- e. If the MBE or WBE is a distributor or supplier: 60% of expenditures for materials and supplies purchased from a MBE or WBE that is certified as a regular dealer or supplier shall be counted toward the Contract Specific Goals.
- f. If the MBE or WBE is a broker:
 - i. Zero percent (0%) of expenditures paid to brokers will be counted toward the Contract Specific Goals.

- ii. As defined above, Brokers provide no commercially useful function.
- g. If the MBE or WBE is a member of the joint venture contractor/bidder:
 - i. A joint venture may count the portion of the total dollar value of the contract equal to the distinct, clearly defined portion of the work of the contract that the MBE or WBE performs with its own forces toward the Contract Specific Goals; or
 - ii. If employees of this distinct joint venture entity perform the work then the value of the work may be counted toward the Contract Specific Goals at a rate equal to the MBE or WBE firm's percentage of participation in the joint venture as described in the Schedule B.
 - iii. A joint venture may also count the dollar value of work subcontracted to other MBEs and WBEs.
- h. If the MBE or WBE subcontracts out any of its work:
 - i. 100% of the value of the work subcontracted to other MBEs or WBEs performing work in its Area of Specialty may be counted toward the Contract Specific Goals.
 - ii. 0% of the value of work that a MBE or WBE subcontracts to a non-certified firm counts toward the Contract Specific Goals (except as allowed by (c) above).
 - iii. The fees or commissions charged for providing a bona fide service, such as professional, technical, consulting or managerial services or for providing bonds or insurance and assistance in the procurement of essential personnel, facilities, equipment, materials or supplies required for performance of the Contract, provided that the fee or commission is determined by the Chief Procurement Officer to be reasonable and not excessive as compared with fees customarily allowed for similar services.
 - iv. The fees charged for delivery of materials and supplies required on a job site (but not the cost of the materials and supplies themselves) when the hauler, trucker, or delivery service is not also the manufacturer of or a regular dealer in the materials and supplies, provided that the fee is determined by the Chief Procurement Officer to be reasonable and not excessive as compared with fees customarily allowed for similar services.
 - v. The fees or commissions charged for providing any bonds or insurance, but not the cost of the premium itself, specifically required for the performance of the Contract, provided that the fee or commission is determined by the Chief Procurement Officer to be reasonable and not excessive as compared with fees customarily allowed for similar services.

5.5. Regulations Governing Reductions to or Waiver of MBE/WBE Goals

The following Regulations set forth the standards to be used in determining whether or not a reduction or waiver of the MBE/WBE commitment goals of a particular contract is appropriate. If a bidder determines that it is unable to meet the MBE and/or WBE Contract-Specific Goals on a City of Chicago contract, a written request for the reduction or waiver of the commitment must be included in the bid or proposal.

The written request for reduction or waiver from the commitment must be in the form of a signed petition for grant of relief from the MBE/WBE percentages submitted on the bidder's letterhead, and must demonstrate that all required efforts as set forth in this document were taken to secure eligible Minority and Women Business Enterprises to meet the commitments. The Chief Procurement Officer or designee shall determine whether the request for the reduction or waiver will be granted.

A bidder will be considered responsive to the terms and conditions of these Regulations if, at the time of bid, it submits a waiver request and all supporting documentation that adequately addresses the conditions for waiver of MBE/WBE goals, including proof of notification to assist agencies except:

- Bidders responding to Request for Proposals (RFPs) who have been identified as a short listed candidate and/or a prospective awardee will be given a designated time allowance, but no more than fourteen (14) calendar days to submit to the Department of Procurement Services complete documentation that adequately addresses the conditions for waiver described herein; and
- Bidders responding to Request for Information and or Qualifications (RFI/RFQs) deemed by the Chief Procurement Officer or authorized designee to be the most responsive and responsible shall submit documentation that adequately addresses the conditions for waiver described herein during negotiations.

Failure to submit documentation sufficient to support the waiver request will cause the bid/proposal to be found non-responsive by the Chief Procurement Officer, and the bid/proposal will be rejected. In such cases the remedies to be taken by the Chief Procurement Officer, in his or her discretion, may include, but are not limited to, forfeiture of bid deposit; negotiating with the next lowest bidder; or re-advertising the bid/proposal. All bidders must submit all required documents at the time of bid opening to expedite the contract award.

5.5.1. Direct Participation

Each of the following elements must be present in order to determine whether or not such a reduction or waiver is appropriate.

- a. The bidder has documented the unsuccessful solicitation for either subcontractors or joint venture partners of at least 50% (or at least five when there are more than eleven certified firms in the commodity area) of the appropriate certified MBE/WBE firms to perform any direct work identified or related to the advertised bid/proposal. Documentation must include but is not necessarily limited to:
 1. A detailed statement of efforts to identify and select portions of work identified in the bid solicitation for subcontracting to certified MBE/WBE firms;
 2. A listing of all MBE/WBE firms contacted that includes:
 - Name, address, telephone number and email of MBE/WBE firms solicited;
 - Date and time of contact;
 - Method of contact (written, telephone, transmittal of facsimile documents, email, etc.)
 3. Copies of letters or any other evidence of mailing that substantiates outreach to MBE/WBE vendors that includes:
 - Project identification and location;
 - Classification/commodity of work items for which quotations were sought;
 - Date, item and location for acceptance of subcontractor bid proposals;
 - Detailed statement which summarizes direct negotiations with appropriate MBE/WBE firms for specific portions of the work and indicates why negotiations were unsuccessful;
 - Affirmation that Good Faith Efforts have been demonstrated by:
 - choosing subcontracting opportunities likely to achieve MBE/WBE goals; and
 - not imposing any limiting conditions which were not mandatory for all subcontractors; and

- providing notice of subcontracting opportunities to M/WBE firms and assist agencies at least five (5) business days in advance of the initial bid due date; and
- documented efforts or actual commitment to the indirect participation of MBE/WBE firms.

OR

- b. Subcontractor participation will be deemed excessively costly when the MBE/WBE subcontractor proposal exceeds the average price quoted by more than twenty percent (20%). In order to establish that a subcontractor's quote is excessively costly, the bidder must provide the following information:
1. A detailed statement of the work identified for MBE/WBE participation for which the bidder asserts the MBE/WBE quote(s) were excessively costly (in excess of 20% higher).
 - A listing of all potential subcontractors contacted for a quotation on that work item;
 - Prices quoted for the subcontract in question by all such potential subcontractors for that work item.
 2. Other documentation which demonstrates to the satisfaction of the Chief Procurement Officer that the MBE/WBE proposals are excessively costly, even though not in excess of 20% higher than the average price quoted. This determination will be based on factors that include, but are not limited to the following:
 - The City's estimate for the work under a specific subcontract;
 - The bidder's own estimate for the work under the subcontract;
 - An average of the bona fide prices quoted for the subcontract;
 - Demonstrated increase in other contract costs as a result of subcontracting to the M/WBE or other firm.

5.5.2. Assist Agency Participation in waiver/reduction requests

Every waiver and/or reduction request must include evidence that the bidder has provided timely notice of the need for subcontractors to an appropriate association/assist agency representative of the MBE/WBE business community. This notice must be given at least five (5) business days in advance of the initial bid due date.

The notice requirement of this Section will be satisfied if a bidder contacts at least one of the associations on Attachment A to these Regulations when the prime contractor seeks a waiver or reduction in the utilization goals. Attachment B to these Regulations provides the letter format that a prime contractor may use. Proof of notification prior to bid submittal (e.g. certified mail receipt or facsimile transmittal receipt) will be required to be submitted with the bid for any bid/proposal to be deemed responsive. If deemed appropriate, the Contract Compliance Officer may contact the assist agency for verification of notification.

5.5.3. Impracticability

If the Chief Procurement Officer determines that a lesser MBE and/or WBE percentage standard is appropriate with respect to a particular contract subject to competitive bidding prior to the bid solicitations for such contract, bid specifications shall include a statement of such revised standard.

The requirements set forth in these Regulations (this subsection 5.5 "Regulations Governing Reductions to or Waiver of MBE/WBE Goals") shall not apply where the Chief Procurement Officer determines prior to the bid solicitations that MBE/WBE subcontractor participation is impracticable.

This may occur whenever the Chief Procurement Officer determines that for reasons of time, need, industry practices or standards not previously known by the Chief Procurement Officer, or such other extreme

circumstances as may be deemed appropriate, such a Waiver is in the best interests of the City. This determination may be made in connection with a particular contract, whether before the contract is let for bid, during the bid or award process, before or during negotiation of the contract, or during the performance of the contract.

For all notifications required to be made by bidders, in situations where the Chief Procurement Officer has determined that time is of the essence, documented telephone contact may be substituted for letter contact.

5.6. Procedure to Determine Bid Compliance

A bid may be rejected as non-responsive if it fails to submit one or more of the following with its bid demonstrating its Good Faith Efforts to meet the Contract Specific Goals by reaching out to MBEs and WBEs to perform work on the contract:

- An MBE/WBE compliance plan demonstrating how the bidder plans to meet the Contract Specific Goals; and/or
- A request for reduction or waiver of the Contract Specific Goals in accordance with Section 2-92-450 of the MCC.

In the case of a bid utilizing the "Bid Incentive to Encourage MBE and WBE Utilization" pursuant to MCC 2-92-525(b)(2), failure to submit an MBE/WBE compliance plan demonstrating how the bidder plans to meet the Contract Specific Goal to which the bidder has committed will not result in rejection of the bid, but the bidder may be found ineligible for the bid incentive.

Except as provided in MCC 2-92-525(b)(2), only compliance plans utilizing MBE and WBE firms that meet BOTH the Commercially Useful Function and Area of Specialty requirements will be counted toward the Contract Specific Goals.

The following Schedules and described documents constitute the bidder's MBE/WBE proposal, and must be submitted in accordance with the guidelines stated:

(1) Schedule C-1: Letter of Intent from MBE/WBE to Perform as Subcontractor, Supplier and/or Consultant.

The bidder must submit the appropriate Schedule C-1 with the bid for each MBE and WBE included on the Schedule D-1. Suppliers must submit the Schedule C-1 for Suppliers, first tier subcontractors must submit a Schedule C-1 for Subcontractors to the Prime Contractor and second or lower tier subcontractors must submit a Schedule C-1 for second tier Subcontractors. The City encourages subcontractors to utilize the electronic fillable format Schedule C-1, which is available at the Department of Procurement Services website, <http://cityofchicago.org/forms>. Each Schedule C-1 must be executed by each MBE and WBE and accurately detail the work to be performed by the MBE or WBE and the agreed upon rates/prices. Each Schedule C must also include a separate sheet as an attachment on which the MBE or WBE fully describes its proposed scope of work, including a description of the commercially useful function being performed by the MBE or WBE in its Area of Specialty. If a facsimile copy of the Schedule C-1 has been submitted with the bid, an executed original Schedule C-1 must be submitted by the bidder for each MBE and WBE included on the Schedule D-1 within five business days after the date of the bid opening.

Failure to submit a completed Schedule C-1 in accordance with this section shall entitle the City to deem the bid/proposal non-responsive and therefore reject the bid/proposal.

(2) Letters of Certification.

A copy of each proposed MBE/WBE firm's current Letter of Certification from the City of Chicago or Cook County Illinois, must be submitted with the bid/proposal. All Letters of Certification issued by the City of Chicago and Cook County include a statement of the MBE/WBE firm's Area of Specialty. The MBE/WBE firm's scope of work, as detailed by their Schedule C-1, must

conform to their stated Area of Specialty. Letters of Certification for firms that the City or Cook County has found ineligible or has decertified will not be accepted.

(3) Schedule B: Affidavit of Joint Venture, and Joint Venture Agreements (if applicable).

If the bidder's MBE/WBE proposal includes the participation of a MBE/WBE as joint venture on any tier (either as the bidder or as a subcontractor), the bidder must provide a copy of the joint venture agreement and a Schedule B along with all other requirements listed in Section 5.3 "Joint Ventures" above. In order to demonstrate the MBE/WBE partner's share in the ownership, control, management responsibilities, risks and profits of the joint venture, the proposed joint venture agreement must include specific details related to: (1) contributions of capital and equipment; (2) work responsibilities or other performance to be undertaken by the MBE/WBE; and (3) the commitment of management, supervisory and operative personnel employed by the MBE/WBE to be dedicated to the performance of the contract. The joint venture agreement must also clearly define each partner's authority to contractually obligate the joint venture and each partner's authority to expend joint venture funds (e.g., check signing authority).

(4) Schedule D-1: Required Schedules Regarding MBE/WBE Utilization

Bidders must submit, together with the bid, a completed Schedule D-1 committing them to the utilization of each listed MBE/WBE firm. The City encourages bidders to utilize the electronic fillable format Schedule D-1, which is available at the Department of Procurement Services website, <http://cityofchicago.org/forms>. Except in cases where the bidder has submitted a request for a complete waiver of or variance from the MBE/WBE commitment in accordance with Section 5.5 "Regulations Governing Reductions to or Waiver of MBE/WBE Goals" herein, the bidder must commit to the expenditure of a specific dollar amount of participation by each MBE/WBE firm included on their Schedule D-1. The total dollar commitment to proposed MBEs must at least equal the MBE goal, and the total dollar commitment to proposed WBEs must at least equal the WBE goal. Bidders are responsible for calculating the dollar equivalent of the MBE and WBE goals as percentages of their total base bids or in the case of Term Agreements, depends upon requirements agreements and blanket agreements, as percentages of the total estimated usage. All commitments made by the bidder's Schedule D-1 must conform to those presented in the submitted Schedule C-1. If Schedule C-1 is submitted after the opening, the bidder may submit a revised Schedule D-1 (executed and notarized to conform with the Schedules C-1). Bidders shall not be permitted to add MBEs or WBEs after bid opening to meet the Contract Specific Goals, however, contractors are encouraged to add additional MBE/WBE vendors to their approved compliance plan during the performance of the contract when additional opportunities for participation are identified. Except in cases where substantial and documented justification is provided, bidders will not be allowed to reduce the dollar commitment made to any MBE or WBE in order to achieve conformity between the Schedules C-1 and D-1.

All commitments for joint venture agreements must be delineated in the Schedule B.

(5) Application for Approval of Mentor Protégé Agreement

Any applications for City approval of a Mentor Protégé agreement must be included with the bid. If the application is not approved, the bidder must show that it has made good faith efforts to meet the contract specific goals.

5.7. Reporting Requirements During the Term of the Contract

a. The Contractor will, not later than thirty (30) calendar days from the award of a contract by the City, execute formal contracts or purchase orders with the MBEs and WBEs included in their approved MBE/WBE Utilization Plan. These written agreements will be made available to the Chief Procurement Officer upon request.

- b. The Contractor will be responsible for reporting payments to all subcontractors on a monthly basis in the form of an electronic report. Upon the first payment issued by the City of Chicago to the contractor for services performed, on the first day of each month and every month thereafter, email and or fax audit notifications will be sent out to the Contractor with instructions to report payments that have been made in the prior month to each subcontractor. The reporting of payments to all subcontractors must be entered into the Certification and Compliance Monitoring System (C2), or whatever reporting system is currently in place, on or before the fifteenth (15th) day of each month.
- c. Once the prime Contractor has reported payments made to each subcontractor, including zero dollar amount payments, the subcontractor will receive an email and or fax notification requesting them to log into the system and confirm payments received. All monthly confirmations must be reported on or before the 20th day of each month. Contractor and subcontractor reporting to the C2 system must be completed by the 25th of each month or payments may be withheld.
- d. All subcontract agreements between the contractor and MBE/WBE firms or any first tier non-certified firm and lower tier MBE/WBE firms must contain language requiring the MBE/WBE to respond to email and/or fax notifications from the City of Chicago requiring them to report payments received for the prime or the non-certified firm.
- Access to the Certification and Compliance Monitoring System (C2), which is a web based reporting system, can be found at: <https://chicago.mwdbe.com>
- e. The Chief Procurement Officer or any party designated by the Chief Procurement Officer, shall have access to the contractor's books and records, including without limitation payroll records, tax returns and records and books of account, to determine the contractor's compliance with its commitment to MBE and WBE participation and the status of any MBE or WBE performing any portion of the contract. This provision shall be in addition to, and not a substitute for, any other provision allowing inspection of the contractor's records by any officer or official of the City for any purpose.
- f. The Contractor shall maintain records of all relevant data with respect to the utilization of MBEs and WBEs, retaining these records for a period of at least five years after project closeout. Full access to these records shall be granted to City, federal or state authorities or other authorized persons.

5.8. Changes to Compliance Plan

5.8.1. Permissible Basis for Change Required

No changes to the Compliance Plan or contractual MBE and WBE commitments or substitution of MBE or WBE subcontractors may be made without the prior written approval of the Contract Compliance Officer. Unauthorized changes or substitutions, including performing the work designated for a subcontractor with the contractor's own forces, shall be a violation of these Special Conditions and a breach of the contract with the City, and may cause termination of the executed Contract for breach, and/or subject the bidder or contractor to contract remedies or other sanctions. The facts supporting the request for changes must not have been known nor reasonably could have been known by the parties prior to entering into the subcontract. Bid shopping is prohibited. The bidder or contractor must negotiate with the subcontractor to resolve the problem. If requested by either party, the Department of Procurement Services shall facilitate such a meeting. Where there has been a mistake or disagreement about the scope of work, the MBE or WBE can be substituted only where an agreement cannot be reached for a reasonable price for the correct scope of work.

Substitutions of a MBE or WBE subcontractor shall be permitted only on the following basis:

- a) Unavailability after receipt of reasonable notice to proceed;
- b) Failure of performance;
- c) Financial incapacity;
- d) Refusal by the subcontractor to honor the bid or proposal price or scope;

- e) Mistake of fact or law about the elements of the scope of work of a solicitation where a reasonable price cannot be agreed;
- f) Failure of the subcontractor to meet insurance, licensing or bonding requirements;
- g) The subcontractor's withdrawal of its bid or proposal; or
- h) De-certification of the subcontractor as a MBE or WBE (graduation from the MBE/WBE program does not constitute de-certification).
- i) Termination of a Mentor Protégé Agreement.

5.8.2. Procedure for Requesting Approval

If it becomes necessary to substitute a MBE or WBE or otherwise change the Compliance Plan, the procedure will be as follows:

- a) The bidder or contractor must notify the Contract Compliance Officer and Chief Procurement Officer in writing of the request to substitute a MBE or WBE or otherwise change the Compliance Plan. The request must state specific reasons for the substitution or change. A letter from the MBE or WBE to be substituted or affected by the change stating that it cannot perform on the contract or that it agrees with the change in its scope of work must be submitted with the request.
- b) The City will approve or deny a request for substitution or other change within 15 business days of receipt of the written request.
- c) Where the bidder or contractor has established the basis for the substitution to the satisfaction of the Chief Procurement Officer, it must make Good Faith Efforts to meet the Contract Specific Goal by substituting a MBE or WBE subcontractor. Documentation of a replacement MBE or WBE, or of Good Faith Efforts, must meet the requirements in section 5. If the MBE or WBE Contract Specific Goal cannot be reached and Good Faith Efforts have been made, as determined by the Chief Procurement Officer, the bidder or contractor may substitute with a non-MBE or non-WBE.
- d) If a bidder or contractor plans to hire a subcontractor for any scope of work that was not previously disclosed in the Compliance Plan, the bidder or contractor must obtain the approval of the Chief Procurement Officer to modify the Compliance Plan and must make Good Faith Efforts to ensure that MBEs or WBEs have a fair opportunity to bid on the new scope of work.
- e) A new subcontract must be executed and submitted to the Contract Compliance Officer within five business days of the bidder's or contractor's receipt of City approval for the substitution or other change.

The City shall not be required to approve extra payment for escalated costs incurred by the contractor when a substitution of subcontractors becomes necessary to comply with MBE/WBE contract requirements.

5.9. Non-Compliance and Damages

Without limitation, the following shall constitute a material breach of this contract and entitle the City to declare a default, terminate the contract, and exercise those remedies provided for in the contract, at law or in equity: (1) failure to demonstrate Good Faith Efforts, except in the case of a contract where a bid incentive under MCC 2-92-525 was taken into consideration in the award; and (2) disqualification as a MBE or WBE of the contractor or any joint venture partner, subcontractor or supplier if its status as an MBE or WBE was a factor in the award of the contract and such status was misrepresented by the contractor.

Payments due to the contractor may be withheld until corrective action is taken.

Pursuant to MCC 2-92-445 or 2-92-740, as applicable, remedies or sanctions may include a penalty in the amount of the discrepancy between the amount of the commitment in the Compliance Plan, as such amount

may be amended through change orders or otherwise over the term of the contract, and the amount paid to MBEs or WBEs, and disqualification from contracting or subcontracting on additional City contracts for up to three years. The consequences provided herein shall be in addition to any other criminal or civil liability to which such entities may be subject.

The contractor shall have the right to protest the final determination of non-compliance and the imposition of any penalty by the Chief Procurement Officer pursuant to MCC 2-92-445 or 2-92-740, within 15 business days of the final determination.

In the case of a in the case of a contract for which a bid incentive under MCC 2-92-525 was taken into consideration in the award, any contractor that has failed to retain the percentage of MBE or WBE subcontractor committed to in order for the bid incentive to be allocated will be fined an amount equal to three times the amount of the bid incentive allocated, unless the contractor can demonstrate that due to circumstances beyond the contractor's control, the contractor for good cause was unable to retain the percentage of MBE or WBE subcontractors throughout the duration of the contract period.

5.10. Arbitration

- a) In the event a contractor has not complied with the contractual MBE/WBE percentages in its Schedule D, underutilization of MBEs/WBEs shall entitle the affected MBE/WBE to recover from the contractor damages suffered by such entity as a result of being underutilized; provided, however, that this provision shall not apply to the extent such underutilization occurs pursuant to a waiver or substitution approved by the City. The Ordinance and contracts subject thereto provide that any disputes between the contractor and such affected MBEs/WBEs regarding damages shall be resolved by binding arbitration before an independent arbitrator other than the City, with reasonable expenses, including attorney's fees, being recoverable by a prevailing MBE/WBE in accordance with these regulations. This provision is intended for the benefit of any MBE/WBE affected by underutilization and grants such entity specific third party beneficiary rights. Any rights conferred by this regulation are non-waivable and take precedence over any agreement to the contrary, including but not limited to those contained in a subcontract, suborder, or communicated orally between a contractor and a MBE/WBE.
- b) An MBE/WBE desiring to arbitrate shall contact the contractor in writing to initiate the arbitral process. Except as otherwise agreed to in writing by the affected parties subject to the limitation contained in the last sentence of the previous paragraph, within ten (10) calendar days of the contractor receiving notification of the intent to arbitrate from the MBE/WBE the above-described disputes shall be arbitrated in accordance with the Commercial Arbitration Rules of the American Arbitration Association (AAA), a not-for-profit agency, with an office at 225 North Michigan Avenue, Suite 2527, Chicago, Illinois 60601-7601 [Phone: (312) 616-6560; Fax: (312) 819-0404]. All such arbitrations shall be initiated by the MBE/WBE filing a demand for arbitration with the AAA; shall be conducted by the AAA; and held in Chicago, Illinois.
- c) All arbitration fees are to be paid pro rata by the parties, however, that the arbitrator is authorized to award reasonable expenses, including attorney and arbitrator fees, as damages to a prevailing MBE/WBE.
- d) The MBE/WBE must send the City a copy of the Demand for Arbitration within ten (10) calendar days after it is filed with the AAA. The MBE/WBE also must send the City a copy of the decision of the arbitrator within ten (10) calendar days of receiving such decision. Judgment upon the award rendered by the arbitrator may be entered in any court of competent jurisdiction.

5.11. Equal Employment Opportunity

Compliance with MBE and WBE requirements will not diminish or supplant equal employment opportunity and civil rights provisions as required by law.

5.12. Attachments and Schedules

The following attachments and schedules follow, they may also be downloaded from the Internet at:

<http://www.cityofchicago.org/forms>

- Attachment A: Assist Agencies
- Attachment B: Sample Format for Requesting Assist Agency Comments on Bidder's Request for Reduction or Waiver of MBE/WBE Goals
- Schedule B: Affidavit of Joint Venture (MBE/WBE)
- Schedule C-1: Letter of Intent From MBE/WBE To Perform As Subcontractor, Supplier and/or Consultant
- Schedule D-1: Compliance Plan Regarding MBE/WBE Utilization

Attachment A –Assist Agency List



**CITY OF CHICAGO
ASSIST AGENCY LIST**

Assist Agencies are comprised of not-for-profit agencies and/or chamber of commerce agencies that represent the interest of small, minority and/or women owned businesses.

<p>American Brotherhood of Contractors 935 West 175th Street Homewood, Illinois 60430 Phone: (773) 491-5640 Email: arba@constructive-business.com</p> <p>Asian American Business Expo 207 East Ohio St. Suite 218 Chicago, IL 60611 Phone: 312-233-2810 Fax: 312-268-6388 Email: Janny@AsianAmericanBusinessExpo.org</p> <p>Asian American Institute 4753 N. Broadway St. Suite 904 Chicago, IL 60640 Phone: (773) 271-0899 Fax: (773) 271-1982 Email: kfernicola@aaichicago.org Web: www.aaichicago.org</p> <p>Association of Asian Construction Enterprises 333 N. Ogden Avenue Chicago, IL 60607 Phone: (847) 525-9693 Email: nakmancorp@aol.com</p> <p>Black Contractors United 400 W. 76th Street, Suite 200 Chicago, IL 60620 Phone: (773) 483-4000 Fax: (773) 483-4150 Email: bcunewera@att.net Web: www.blackcontractorsunited.com</p> <p>Cosmopolitan Chamber of Commerce 203 N. Wabash, Suite 518 Chicago, IL 60601 Phone: (312) 499-0611 Fax: (312) 332-2688 Email: ccarey@cosmococ.org Web: www.cosmochamber.org</p> <p>Eighteenth Street Development Corporation 1843 South Carpenter Chicago, Illinois 60608 Phone: (312) 733-2287 Fax: (773)-353-1683 asoto@eighteenthstreet.org www.eighteenthstreet.org</p>	<p>Chatham Business Association Small Business Development, Inc. 8441 S. Cottage Grove Avenue Chicago, IL 60619 Phone: (773)994-5006 Fax: (773)994-9871 Email: melkelcba@sbcglobal.net Web: www.cbaworks.org</p> <p>Chicago Area Gay & Lesbian Chamber of Commerce 3656 N. Halsted Chicago, IL 60613 Phone: (773) 303-0167 Fax: (773) 303-0168 Email: info@glchamber.org Web: www.glchamber.org</p> <p>Chicago Minority Supplier Development Council, Inc. 105 W. Adams, Suite 2300 Chicago, IL 60603-6233 Phone: (312) 755-8880 Fax: (312) 755-8890 Email: pbarreda@chicagomsdc.org Web: www.chicagomsdc.org</p> <p>Chicago Urban League 4510 S. Michigan Ave. Chicago, IL 60653 Phone: (773) 285-5800 Fax: (773) 285-7772 Email: president@thechicagourbanleague.org Web: www.cul-chicago.org</p> <p>Chicago Women in Trades (CWIT) 4425 S. Western Blvd. Chicago, IL 60609-3032 Phone: (773) 376-1450 Fax: (312) 942-0802 Email: cwitinfo@cwit2.org Web: www.chicagowomenintrades.org</p> <p>Coalition for United Community Labor Force 1253 W. 63rd Street Chicago, IL 60636 Phone: (312) 243-5149 Email: johnrev.hatchett@comcast.net</p>
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City of Chicago Department of Procurement Services ~ Assist Agencies (cont'd)

<p>Federation of Women Contractors 5650 S. Archer Avenue Chicago, IL 60638 Phone: (312) 360-1122 Fax: (312) 360-0239 Email: fwcchicago@aol.com Web: www.fwcchicago.com</p> <p>Hispanic American Construction Industry Association (HACIA) 650 West Lake Street Chicago, IL 60661 Phone: (312) 666-5910 Fax: (312) 666-5692 Email: info@haciaworks.org Web: www.haciaworks.org</p> <p>Illinois Hispanic Chamber of Commerce 855 W. Adams, Suite 100 Chicago, IL 60607 Phone: (312) 425-9500 Fax: (312) 425-9510 Email: oduque@ihccbbusiness.net Web: www.ihccbbusiness.net</p> <p>Latin American Chamber of Commerce 3512 West Fullerton Avenue Chicago, IL 60647 Phone: (773) 252-5211 Fax: (773) 252-7065 Email: d.lorenzopadron@latinamericanchamberofcommerce.com Web: www.latinamericanchamberofcommerce.com</p> <p>National Organization of Minority Engineers 33 West Monroe Suite 1540 Chicago, Illinois 60603 Phone: (312) 425-9560 Fax: (312) 425-9564 Email: shandy@infrastructure-eng.com Web: www.nomeonline.org</p> <p>National Association of Women Business Owners Chicago Chapter 230 E. Ohio, Suite 400 Chicago, IL 60611 Phone: (312) 224-2605 Fax: (312) 6448557 Email: info@nawbochicago.org Web: www.nawbochicago.org</p>	<p>Rainbow/PUSH Coalition International Trade Bureau 930 E. 50th Street Chicago, IL 60615 Phone: (773) 256-2781 Fax: (773) 373-4104 Email: bevans@rainbowpush.org Web: www.rainbowpush.org</p> <p>South Shore Chamber, Incorporated Black United Funds Bldg. 1750 E. 71st Street Chicago, IL 60649-2000 Phone: (773) 955- 9508 Email: sshorechamber@sbcglobal.net Web: www.southshorechamberinc.org</p> <p>Suburban Minority Contractors Association 1250 Grove Ave. Suite 200 Barrington, IL 60010 Phone: (847) 852-5010 Fax: (847) 382-1787 Email: aprilcobra@hotmail.com Web: www.suburbanblackcontractors.org</p> <p>Women Construction Owners & Executives (WCOE) Chicago Caucus 308 Circle Avenue Forest Park, IL 60130 Phone: (708) 366-1250 Fax: (708) 366-5418 Email: mkm@mkmservices.com Web: www.wcoeusa.org</p> <p>Women's Business Development Center 8 South Michigan Ave., Suite 400 Chicago, IL 60603 Phone: (312) 853-3477 Fax: (312) 853-0145 Email: fcurry@wbdc.org Web: www.wbdc.org</p>
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Attachment B - Sample Format for Requesting Assist Agency Comments on Bidder's Request for Reduction or Waiver of MBE/WBE Goals
On Bidder/Proposer's Letterhead – SEND TO THE ASSIST AGENCIES – DO NOT SEND TO THE CITY

RETURN RECEIPT REQUESTED

(Date)

Specification No.: 712589

Project Description: THIRD PARTY LIABILITY CLAIMS ADMINISTRATOR SERVICES

(Assist Agency Name and Address – **SEND TO THE ASSIST AGENCIES – DO NOT SEND TO THE CITY**)

Dear _____:

_____ (Bidder/Proposer) intends to submit a bid/proposal in response to the above referenced specification with the City of Chicago. Bids are due _____ advertised specification with the City of Chicago.

The following areas have been identified for subcontracting opportunities on both a direct and indirect basis:

Our efforts to identify potential subcontractors have not been successful in order to meet the Disadvantaged/Minority/Women Business Enterprise contract goal. **Due to the inability to identify an appropriate DBE/MBE/WBE firm certified by the City of Chicago to participate as a subcontractor or joint venture partner, a request for the waiver of the contract goals will be submitted.** If you are aware of such a firm, please contact

Name of Company Representative

at

Address/Phone

within (10) ten business days of receipt of this letter.

Under the City of Chicago's MBE/WBE/DBE Ordinance, your agency is entitled to comment upon this waiver request to the City of Chicago. Written comments may be directed within ten (10) working days of your receipt of this letter to:

Monica Jimenez, Deputy Procurement Officer
Department of Procurement Services
City of Chicago
121 North La Salle Street, Room 806
Chicago, Illinois 60602

If you wish to discuss this matter, please contact the undersigned at _____.

Sincerely,

Schedule B – Affidavit of Joint Venture

SCHEDULE B: Affidavit of Joint Venture (MBE/WBE)

This form need not be submitted if all joint venturers are MBEs and/or WBEs. In such a case, however, a written joint venture agreement among the MBE and WBE venturers must be submitted. In all proposed joint ventures, each MBE and/or WBE venturer must submit a copy of their current Letter of Certification.

All Information Requested by this Schedule must Be Answered in the Spaces Provided. Do Not Refer to Your Joint Venture Agreement Except to Expand on Answers Provided on this Form. If Additional Space Is Required, Additional Sheets May Be Attached.

- I. Name of joint venture: _____
Address of joint venture: _____
Phone number of joint venture: _____
- II. Identify each non-MBE/WBE venturer(s):
Name of Firm: _____
Address: _____
Phone: _____
Contact person for matters concerning MBE/WBE compliance: _____
- III. Identify each MBE/WBE venturer(s):
Name of Firm: _____
Address: _____
Phone: _____
Contact person for matters concerning MBE/WBE compliance: _____
- IV. Describe the role(s) of the MBE and/or WBE venturer(s) in the joint venture: _____

- V. Attach a copy of the joint venture agreement. In order to demonstrate the MBE and/or WBE venturer's share in the ownership, control, management responsibilities, risks and profits of the joint venture, the proposed joint venture agreement must include specific details related to: (1) the contributions of capital and equipment; (2) work items to be performed by the MBE/WBE's own forces; (3) work items to be performed under the supervision of the MBE/WBE venturer; and (4) the commitment of management, supervisory and operative personnel employed by the MBE/WBE to be dedicated to the performance of the project.
- VI. Ownership of the Joint Venture.
A. What are the percentage(s) of MBE/WBE ownership of the joint venture?
MBE/WBE ownership percentage(s) _____
Non-MBE/WBE ownership percentage(s) _____
- B. Specify MBE/WBE percentages for each of the following (provide narrative descriptions and other detail as applicable):
1. Profit and loss sharing: _____
2. Capital contributions:
(a) Dollar amounts of initial contribution: _____

Schedule B: Affidavit of Joint Venture (MBE/WBE)

(b) Dollar amounts of anticipated on-going contributions: _____

3. Contributions of equipment (Specify types, quality and quantities of equipment to be provided by each venturer): _____

4. Other applicable ownership interests, including ownership options or other agreements which restrict or limit ownership and/or control: _____

5. Provide copies of all written agreements between venturers concerning this project.
6. Identify each current City of Chicago contract (and each contract completed during the past two (2) years) by a joint venture of two or more firms participating in this joint venture:

- VII. Control of and Participation in the Joint Venture. Identify by name and firm those individuals who are, or will be, responsible for, and have the authority to engage in the following management functions and policy decisions. (Indicate any limitations to their authority such as dollar limits and co-signatory requirements.):
- A. Joint venture check signing:

- B. Authority to enter contracts on behalf of the joint venture:

- C. Signing, co-signing and/or collateralizing loans:

- D. Acquisition of lines of credit:

Schedule B: Affidavit of Joint Venture (MBE/WBE)

- E. Acquisition and indemnification of payment and performance bonds:

- F. Negotiating and signing labor agreements:

- G. Management of contract performance. (Identify by name and firm only):
1. Supervision of field operations: _____
2. Major purchases: _____
3. Estimating: _____
4. Engineering: _____
- VIII. Financial Controls of joint venture:
A. Which firm and/or individual will be responsible for keeping the books of account?

- B. Identify the managing partner, if any, and describe the means and measure of their compensation:

- C. What authority does each venturer have to commit or obligate the other to insurance and bonding companies, financing institutions, suppliers, subcontractors, and/or other parties participating in the performance of this contract or the work of this project?

- IX. State the approximate number of operative personnel (by trade) needed to perform the joint venture's work under this contract. Indicate whether they will be employees of the non-MBE/WBE firm, the MBE/WBE firm, or the joint venture.

Schedule B: Affidavit of Joint Venture (MBE/WBE)

The undersigned affirms that the foregoing statements are correct and include all material information necessary to identify and explain the terms and operations of our joint venture and the intended participation of each venturer in the undertaking. Further, the undersigned covenant and agree to provide to the City current, complete and accurate information regarding actual joint venture work and the payment therefore, and any proposed changes in any provision of the joint venture agreement, and to permit the audit and examination of the books, records and files of the joint venture, or those of each venturer relevant to the joint venture by authorized representatives of the City or the Federal funding agency.

Any material misrepresentation will be grounds for terminating any contract which may be awarded and for initiating action under federal or state laws concerning false statements.

Note: If, after filing this Schedule B and before the completion on the joint venture's work on the project, there is any change in the information submitted, the joint venture must inform the City of Chicago, either directly or through the prime contractor if the joint venture is a subcontractor.

Name of MBE/WBE Partner Firm

Firm

Name of Non-MBE/WBE Partner

Signature of Affiant

Signature of Affiant

Name and Title of Affiant

Name and Title of Affiant

Date

Date

On this _____ day of _____, 20____, the above-signed officers

(names of affiants)

personally appeared and, known to me be the persons described in the foregoing Affidavit, acknowledged that they executed the same in the capacity therein stated and for the purpose therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Signature of Notary Public

My Commission Expires: _____

(SEAL)

Schedule C-1: Letter of Intent From MBE/WBE To Perform As Subcontractor, Supplier and/or Consultant



**FOR
NON-CONSTRUCTION
PROJECTS ONLY**

SCHEDULE C-1

MBE/WBE Letter of Intent to Perform as a
Subcontractor, Supplier, or Consultant

Project Name: _____ Specification No.: _____

From: _____
(Name of MBE/WBE Firm)

To: _____ and the City of Chicago.
(Name of Prime Contractor)

The MBE or WBE status of the undersigned is confirmed by the attached City of Chicago or Cook County, Illinois Certification Letter. 100% MBE or WBE participation is credited for the use of a MBE or WBE "manufacturer." 60% participation is credited for the use of a MBE or WBE "regular dealer."

The undersigned is prepared to perform the following services in connection with the above named project/contract. If more space is required to fully describe the MBE or WBE proposed scope of work and/or payment schedule, including a description of the commercially useful function being performed. Attach additional sheets as necessary:

The above described performance is offered for the following price and described terms of payment:

SUB-SUBCONTRACTING LEVELS

A zero (0) must be shown in each blank if the MBE or WBE will not be subcontracting any of the work listed or attached to this schedule.

_____ % of the dollar value of the MBE or WBE subcontract that will be subcontracted to non MBE/WBE contractors.

_____ % of the dollar value of the MBE or WBE subcontract that will be subcontracted to MBE or WBE contractors.

NOTICE: If any of the MBE or WBE scope of work will be subcontracted, list the name of the vendor and attach a brief explanation, description and pay item number of the work that will be subcontracted. MBE/WBE credit will not be given for work subcontracted to Non-MBE/WBE contractors, except for as allowed in the Special Conditions Regarding Minority Business Enterprise Commitment and Women Business Enterprise Commitment.

The undersigned will enter into a formal written agreement for the above work with you as a Prime Contractor, conditioned upon your execution of a contract with the City of Chicago, within three (3) business days of your receipt of a signed contract from the City of Chicago.

The undersigned has entered into a formal written mentor protégé agreement as a subcontractor/protégé with you as a Prime Contractor/mentor: () Yes () No

NOTICE: THIS SCHEDULE AND ATTACHMENTS REQUIRE ORIGINAL SIGNATURES.

(Signature of President/Owner/CEO or Authorized Agent of MBE/WBE) (Date)

(Name/Title-Please Print)

(Email & Phone Number)

Schedule D-1: Affidavit of Implementation of MBE/WBE Goals and Participation Plan



SCHEDULE D-1
Compliance Plan Regarding MBE/WBE Utilization
Affidavit of Prime Contractor

**FOR
NON-CONSTRUCTION
PROJECTS ONLY**

**MUST BE SUBMITTED WITH THE BID. FAILURE TO SUBMIT THE SCHEDULE D-1 WILL CAUSE THE
BID TO BE REJECTED. DUPLICATE AS NEEDED.**

Project Name: _____

Specification No.: _____

In connection with the above captioned contract, I HEREBY DECLARE AND AFFIRM that I am a duly authorized representative of _____
(Name of Prime Consultant/Contractor)

and that I have personally reviewed the material and facts set forth herein describing our proposed plan to achieve the MBE/WBE goals of this contract.

All MBE/WBE firms included in this plan have been certified as such by the City of Chicago and/or Cook County, Illinois (Letters of Certification Attached).

I. Direct Participation of MBE/WBE Firms:

NOTE: The bidder/proposer shall, in determining the manner of MBE/WBE participation, first consider involvement with MBE/WBE firms as joint venture partners, subcontractors, and suppliers of goods and services directly related to the performance of this contract.

A. If bidder/proposer is a joint venture and one or more joint venture partners are certified MBEs or WBEs, attach copies of Letters of Certification, Schedule B form and a copy of Joint Venture Agreement clearly describing the role of each MBE/WBE firm(s) and its ownership interest in the joint venture.

B. Complete this section for each MBE/WBE Subcontractor/Supplier/Consultant participating on this contract:

1. Name of MBE/WBE: _____

Address: _____

Contact Person: _____

Phone Number: _____

Dollar Value of Participation \$ _____

Percentage of Participation % _____

Mentor Protégé Agreement (attach executed copy): () Yes () No Add'l Percentage Claimed:¹ _____%

Total Participation % _____

2. Name of MBE/WBE: _____

Address: _____

Contact Person: _____

¹ The Prime Contractor may claim an additional 0.333 percent participation credit (up to a maximum of five (5) percent) for every one (1) percent of the value of the contract performed by the MBE/WBE protégé firm.

Schedule D-1: Prime Contractor Affidavit-MBE/WBE Compliance Plan

Phone Number: _____

Dollar Value of Participation \$ _____

Percentage of Participation % _____

Mentor Protégé Agreement (attach executed copy): () Yes () No Add'l Percentage Claimed: ____%

Total Participation % _____

3. Name of MBE/WBE: _____

Address: _____

Contact Person: _____

Phone Number: _____

Dollar Value of Participation \$ _____

Percentage of Participation % _____

Mentor Protégé Agreement (attach executed copy): () Yes () No Add'l Percentage Claimed: ____%

Total Participation % _____

4. Name of MBE/WBE: _____

Address: _____

Contact Person: _____

Phone Number: _____

Dollar Value of Participation \$ _____

Percentage of Participation % _____

Mentor Protégé Agreement (attach executed copy): () Yes () No Add'l Percentage Claimed: ____%

Total Participation % _____

5. Attach Additional Sheets as Needed

II. Indirect Participation of MBE/WBE Firms

NOTE: This section need not be completed if the MBE/WBE goals have been met through the direct participation outlined in Section I. If the MBE/WBE goals have not been met through direct participation, Contractor will be expected to demonstrate that the proposed MBE/WBE direct participation represents the maximum achievable under the circumstances. Only after such a demonstration will indirect participation be considered.

MBE/WBE Subcontractors/Suppliers/Consultants proposed to perform work or supply goods or services where such performance does not directly relate to the performance of this contract:

1. Name of MBE/WBE: _____

Address: _____

Contact Person: _____

Schedule D-1: Prime Contractor Affidavit-MBE/WBE Compliance Plan

Phone Number: _____

Dollar Value of Participation \$ _____

Percentage of Participation % _____

Mentor Protégé Agreement (attach executed copy): () Yes () No Add'l Percentage Claimed: ____%

Total Participation % _____

2. Name of MBE/WBE: _____

Address: _____

Contact Person: _____

Phone Number: _____

Dollar Value of Participation \$ _____

Percentage of Participation % _____

Mentor Protégé Agreement (attach executed copy): () Yes () No Add'l Percentage Claimed: ____%

Total Participation % _____

3. Name of MBE/WBE: _____

Address: _____

Contact Person: _____

Phone Number: _____

Dollar Value of Participation \$ _____

Percentage of Participation % _____

Mentor Protégé Agreement (attach executed copy): () Yes () No Add'l Percentage Claimed: ____%

Total Participation % _____

4. Name of MBE/WBE: _____

Address: _____

Contact Person: _____

Phone Number: _____

Dollar Value of Participation \$ _____

Percentage of Participation % _____

Mentor Protégé Agreement (attach executed copy): () Yes () No Add'l Percentage Claimed: ____%

Total Participation % _____

5. Attach Additional Sheets as Needed

Schedule D-1: Prime Contractor Affidavit-MBE/WBE Compliance Plan

III. Summary of MBE/WBE Proposal

A. MBE Proposal (Direct & Indirect)

1. MBE Direct Participation

MBE Firm Name	Dollar Amount Participation (\$)	Percent Amount Participation (%)
Total Direct MBE Participation		

2. MBE Indirect Participation

MBE Firm Name	Dollar Amount Participation (\$)	Percent Amount Participation (%)
Total Indirect MBE Participation		

B. WBE Proposal (Direct & Indirect)

1. WBE Direct Participation

WBE Firm Name	Dollar Amount Participation (\$)	Percent Amount Participation (%)
Total Direct WBE Participation		

2. WBE Indirect Participation

WBE Firm Name	Dollar Amount Participation (\$)	Percent Amount Participation (%)
Total Indirect WBE Participation		

Schedule D-1: Prime Contractor Affidavit-MBE/WBE Compliance Plan

The Prime Contractor designates the following person as its MBE/WBE Liaison Officer:

(Name- Please Print or Type)

(Phone)

I DO SOLEMNLY DECLARE AND AFFIRM UNDER PENALTIES OF PERJURY THAT THE CONTENTS OF THE FOREGOING DOCUMENT ARE TRUE AND CORRECT, THAT NO MATERIAL FACTS HAVE BEEN OMITTED, AND THAT I AM AUTHORIZED ON BEHALF OF THE PRIME CONTRACTOR TO MAKE THIS AFFIDAVIT.

(Name of Prime Contractor – Print or Type)

State of: _____

(Signature)

County of: _____

(Name/Title of Affiant – Print or Type)

(Date)

On this ____ day of _____, 20____, the above signed officer _____
(Name of Affiant)

personally appeared and, known by me to be the person described in the foregoing Affidavit, acknowledged that (s)he executed the same in the capacity stated therein and for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and seal.

(Notary Public Signature)

SEAL:

Commission Expires: _____

EXHIBIT 6

ONLINE CITY OF CHICAGO ECONOMIC DISCLOSURE STATEMENT AND AFFIDAVIT (EDS) INSTRUCTIONS

WHEN SUBMITTING YOUR RESPONSE TO THIS REQUEST FOR PROPOSAL (RFP), FOR THIRD PARTY LIABILITY CLAIMS ADMINISTRATOR SERVICES SPECIFICATION NO. 712589, THE RESPONDENT(S) SHALL SUBMIT 2 DOCUMENTS: 1) A “**CERTIFICATE OF FILING**” EVIDENCING COMPLETION OF YOUR ONLINE EDS AND 2) AN EXECUTED **ATTACHMENT A, ONLINE EDS ACKNOWLEDGEMENT** SIGNED BY AN AUTHORIZED OFFICER BEFORE A NOTARY.

1. ONLINE EDS FILING

1.1. ONLINE EDS FILING REQUIRED PRIOR TO RESPONSE DUE DATE

The Respondent shall complete an online EDS prior to the response due date. A Respondent who does not file an electronic EDS prior to the response due date may be found non-responsive and its response rejected. If you are unable to complete the online EDS and print a Certificate of Filing prior to the response due date, the City will accept a paper EDS provided written justification is provided explaining your good faith efforts to complete it before the response due date and the reasons why it could not be completed.

NOTE: ALWAYS SELECT THE “CONTRACT” (NOT UPDATE) BOX WHEN COMPLETING AN ONLINE EDS TO ENSURE A NEW CONTRACT SPECIFIC ONLINE EDS IS CREATED RELATED TO THE SOLICITATION DOCUMENT. CLICKING THE UPDATE BOX ONLY UPDATES PREVIOUS EDS INFORMATION.

1.2. ONLINE EDS WEB LINK

The web link for the Online EDS is <https://webapps.cityofchicago.org/EDSWeb>

1.3. ONLINE EDS NUMBER

Upon completion of the online EDS submission process, the Respondent will be provided an EDS number. Respondent should record this number here:

EDS Number: _____

1.4. ONLINE EDS CERTIFICATION OF FILING AND ATTACHMENT A, ONLINE EDS ACKNOWLEDGEMENT

Upon completion of the online submission process, the Respondent will be able to print a hard copy Certificate of Filing. The Respondent should submit the signed Certificate of Filing and Attachment A, Online EDS Acknowledgement form with its response. Please insert your Certification of Filing and Attachment A, Online EDS Acknowledgement form following the Cover Letter. See Section V. B.10, Required Contents of Proposal in the RFP. A Respondent who does not include a signed Certificate of Filing and/or Attachment A, Online EDS Acknowledgement form with its response must provide it upon the request of the Chief Procurement Officer.

1.5. PREPARATION CHECKLIST FOR REGISTRATION

To expedite and ease your registration process, we recommend that you collect the following

information prior to registering for an Online EDS user account:

	1. Invitation number, if you were provided an invitation number.
	2. EDS document from previous years, if available.
	3. Email address to correspond with the Online EDS system.
	4. Company Information:
	a. Legal Name
	b. FEIN/SSN
	c. City of Chicago Vendor Number, if available.
	d. Address and phone number information that you would like to appear on your EDS documents.
	e. EDS Captain. Check for an EDS Captain in your company - this maybe the person that usually submits EDS for your company, or the first person that registers for your company.

1.6. PREPARATION CHECKLIST FOR EDS SUBMISSION

To expedite and ease your EDS submission, we recommend that you collect the following information prior to updating your EDS information online.

Items #1 through #7 are needed for both EDS information updates and contract related EDS documents:

- _____ 1. Invitation number, if you were provided with an invitation number.
- _____ 2. Site address that is specific to this EDS.
- _____ 3. Contact that is responsible for this EDS.
- _____ 4. EDS document from previous years, if available.
- _____ 5. Ownership structure, and if applicable, owners' company information:
 - _____ a. % of ownership
 - _____ b. Legal Name
 - _____ c. FEIN/SSN
 - _____ d. City of Chicago Vendor Number, if available.
 - _____ e. Address
- _____ 6. List of Commissioners, officers, titleholders, etc. (if applicable).

- _____
7. For partnerships/LLC/LLP/Joint ventures, etc.:
- _____
- a. List of controlling parties (if applicable).
- _____

Items #8 and #9 are needed ONLY for contract related EDS documents:

- _____
8. Contract related information (if applicable):
- _____
- a. City of Chicago contract package
- _____
- b. Cover page of City of Chicago bid/solicitation package
- _____
- c. If EDS is related to a mod, then cover page of your current contract with the City.
- _____
9. List of subcontractors and retained parties:
- _____
- a. Name
- _____
- b. Address
- _____
- c. Fees – Estimated or paid
- _____

1.7. EDS FREQUENTLY ASKED QUESTIONS

Q: Where do I file?

A: The web link for the Online EDS is <https://webapps.cityofchicago.org/EDSWeb>

Q: How do I get help?

A: If there is a question mark on a page or next to a field, click on the question mark for help filling out the page or field. You may also consult the User Manual and the Training Videos available on the left menu.

Q: Why do I have to submit an EDS?

A: The Economic Disclosure Statement (EDS) is required of applicants making an application to the City for action requiring City Council, City department or other City agency approval. For example, all bidders seeking a City contract are required to submit an EDS. Through the EDS, applicants make disclosures required by State law and City ordinances and certify compliance with various laws and ordinances. An EDS is also required of certain parties related to the applicant, such as owners and controlling parties.

Q: Who is the Applicant?

A: "Applicant" means any entity or person making an application to the City for action requiring City Council or other City agency approval. The applicant does not include owners and parent companies.

Q: Who is the Disclosing Party?

A: "Disclosing Party" means any entity or person submitting an EDS. This includes owners and parent companies.

Q: What is an entity or legal entity?

A: "Entity" or "Legal Entity" means a legal entity (for example, a corporation, partnership, joint venture, limited liability company or trust).

Q: What is a person for purposes of the EDS?

A: "Person" means a human being.

Q: Who must submit an EDS?

A. An EDS must be submitted in any of the following three circumstances:

Applicants:	An Applicant must always file this EDS. If the Applicant is a legal entity, state the full name of that legal entity. If the Applicant is a person acting on his/her own behalf, state his/her name.
Entities holding an interest:	Whenever a legal entity has a beneficial interest (E. G. direct or indirect ownership) of more than 7.5% in the Applicant, each such legal entity must file an EDS on its own behalf.
Controlling entities:	Whenever a Disclosing Party is a general partnership, limited partnership, limited liability company, limited liability partnership or joint venture that has a general partner, managing member, manager or other entity that can control the day-to-day management of the Disclosing Party, that entity must also file an EDS on its own behalf. Each entity with a beneficial interest of more than 7.5% in the controlling entity must also file an EDS on its own behalf.

Q: What information is needed to submit an EDS?

A: The information contained in the Preparation Checklist for EDS submission.

Q: I don't have a user ID & password. Can I still submit an Online EDS?

A: No. You must register and create a user ID and password before submitting an Online EDS.

Q: What information is needed to request a user ID & password for Online EDS?

A: The information contained in the Preparation Checklist for Registration is needed to request a login for the Online EDS.

Q: I already have a username and password from another City web site (City Web Portal, Department of Construction and Permits, Department of Consumer Services, etc.). Can I log-in the Online EDS with that account?

A: Usually not. The Online EDS uses a user ID and password system that is shared by the Public Vehicle Advertising and Water Payment web sites. You may use a username and password from those sites by answering “Yes” to “Is this an existing City of Chicago user ID?” when registering. Other usernames and passwords will not be automatically recognized. However, you may choose to create an identical username for the Online EDS if it is not already taken.

Q: I don’t have an email address. How do I submit an Online EDS?

A: You cannot get an account to submit an online EDS without an email address. If you need an e-mail address, we suggest that you use a free internet email provider such as www.hotmail.com or www.yahoo.com or mail.google.com to open an account. The City does not endorse any particular free internet email provider. Public computers are available at all Chicago Public Library branches.

Q: I forgot my user ID. Can I register again?

A: No. If you are the EDS Captain of your organization, please contact the Department of Procurement Services at 312-744-4900. If you are an EDS team member, contact your EDS Captain, who can look up your user ID.

Q: Who is the EDS Captain?

A: The EDS Captain is a person who performs certain administrative functions for an organization which files an EDS. Each organization registered with the Online EDS has at least one EDS Captain. There may be co-captains, who are all equal. EDS Captains approve new users, change contact information for an organization, and de-active accounts of employees who have left the organization. Please see the User Manual for more information.

Q: Why do we need EDS Captains?

A: The Online EDS is designed to be a self-service web application which allows those doing or seeking to do business with the City to perform as many routine functions as possible without City intervention. Because many organizations have multiple staff filing an EDS, the EDS Captain role allows those organizations to self-manage the contact information and users.

Q: Who is the EDS team?

A: The EDS team for an organization is everyone who is registered to file an EDS on behalf of the organization.

Q: I forgot my password. What should I do?

A: To retrieve a temporary password, click the “Forgot your password?” link on the login page. Enter your user ID that you provided when you registered your account. The system will automatically generate a temporary password and send it to you. When you log-in with your temporary password, you will be asked to create a new password.

Q: How do I complete an Online EDS?

A: Click on “Create New” after logging in. The Online EDS system will walk you through the EDS questions. Please see the User Manual for details.

Q: How do I fill out a Disclosure of Retained Parties?

A: There is no longer a separate Disclosure of Retained Parties filing. After logging in, click on

“Create New”. Answer (click) “Contract” to “Is this EDS for a contract or an EDS information update?” Click “Fill out EDS”, and click on the “Retained Parties” tab. When finished, click on “Ready to Submit.”

Q: How do I attach documents?

A: Attachments are discouraged. If at all possible, please provide a concise explanation in the space provided in the online form. Attachments with pages of officers are not acceptable. Names of officers must be typed into the system. If you must provide an attachment for another reason, please send it to your City of Chicago contact (contract administrator or negotiator for procurements) and they will attach it for you. Documents can be sent in PDF (preferred), Word, or paper format.

Q: Who can complete an Economic Disclosure Statement online?

A: Any authorized representative of your business with a user ID and password can complete your EDS online. One person, such as an assistant, can fill in the information and save it, and another person can review and electronically sign the Online EDS.

Q: What are the benefits of filing my Economic Disclosure statement electronically?

A: Filing electronically reduces the chance of filing an incomplete EDS and speeds up the processing of contract awards. A certificate of filing can be printed at the completion of the process and inserted into your bid package. The biggest benefit for those who frequently do business with the City is that after the first EDS, each EDS is much easier to fill out because non-contract specific information is pre-filled from the last submitted EDS.

Q: Will my information be secure?

A: Yes. When making your internet connection to our Web Server, you will connect through a Secure Socket Layer (SSL for short) to the “Online EDS” login page. All information you type will be protected using strong encryption. Within the login page, you will provide us with a user ID, password, and secret question for user authentication. Only you will have knowledge of this unique identification information.

Q: I am filing electronically. How do I sign my EDS?

A: Once you have completed the EDS, you will be prompted to enter your password and answer to your secret question. Together, these will serve as your electronic signature. Although you will also print and physically sign an EDS certification of filing as a notice that your EDS was filed, your EDS is complete as a legal document with only the electronic filing.

Q: My address has changed. How can I update my information?

A: You must be an EDS Captain for your organization to update this. Log-in and click on “Vendor Admin, Site Administration.” Select the appropriate site and click edit.

Q: I have more questions. How can I contact the Department of Procurement Services?

A: Please contact the contract administrator or negotiator assigned to your solicitation or contract. You may call DPS at 312-744-4900 between 8:30 AM and 5:00 PM Central Time.

Q: Can I save a partially complete EDS?

A: Yes. Click “Save”. To avoid data loss, we recommend you save your work periodically while

filling out your EDS.

Q: Do I have to re-type my information each time I submit an EDS?

A: No. The system will remember non-contract specific information from your last submitted EDS for one year. This information will be filled-in for you in your new EDS. You will have an opportunity to correct it if it has changed since your last filing. When you submit your new EDS, the information is saved and the one-year clock begins running anew.

Q: What are the system requirements to use the Online EDS?

A: The following are minimum requirements to use the Online EDS:

- A PDF viewer such as Adobe Reader is installed and your web browser is configured to display PDFs automatically. You may download and install Adobe Reader free at www.adobe.com/products/reader/
- Your web browser is set to permit running of JavaScript.
- Your web browser allows cookies to be set for this site. Please note that while we use cookies in the Online EDS, we do not use them to track personally identifiable information, so your privacy is maintained.
- Your monitor resolution is set to a minimum of 1024 x 768.
- While not required to submit an EDS, if you wish to view the training videos, you must have Adobe Flash Plugin version 9 or higher, speakers, and sound. Please note that very old computers may not be able to run Adobe Flash and will not be able to play the training videos. In that case, we encourage you to seek help using the Online EDS Manuals. You may download and install Adobe Flash Plugin free at <http://get.adobe.com/flashplayer>

The Online EDS has been tested on Internet Explorer 6.0 and 7.0 and Firefox 2.0 and 3.0 on Windows XP and Mac OS X. Although it should work on other browsers and operating systems, the City of Chicago cannot guarantee compatibility.

ATTACHMENT A

ONLINE EDS ACKNOWLEDGEMENT

The undersigned, hereby acknowledges having received Specification No. 712589 containing a full set of RFP Documents, including, Addenda Numbers (none unless indicated here) _____, and affirms that the Respondent shall be bound by all the terms and conditions contained in the RFP Documents, regardless of whether a complete set thereof is attached to this response.

Under penalty of perjury, the undersigned: (1) warrants that he/she was authorized to submit an EDS on behalf of the Disclosing Party on-line, (2) warrants that all certifications and statements contained in the EDS are true, accurate and complete as of the date the EDS was submitted on-line, and (3) further warrants that, as of the date of submission of this response, there have been no changes in circumstances since the date that the EDS was submitted that would render any certification in the EDS false, inaccurate or incomplete.

Further, the undersigned being duly sworn deposes and says on oath that no disclosures of ownership interests have been withheld and the information provided therein to the best of its knowledge is current and the undersigned has not entered into any agreement with any other respondent or prospective respondent or with any other person, firm or corporation relating to the price named in this proposal or any other proposal, nor any agreement or arrangement under which any act or omission in restraining of free competition among respondents and has not disclosed to any person, firm or corporation the terms of this proposal or the price named herein.

COMPANY NAME: _____
(Print or Type)

AUTHORIZED OFFICER SIGNATURE: _____

TITLE OF SIGNATORY: _____
(Print or Type)

BUSINESS ADDRESS: _____
(Print or Type)

State of _____ (Affix Corporate Seal)
County of _____

This instrument was acknowledged before me on this _____ day of _____, 20____ by _____ as President (or other authorized officer) and _____ as Secretary of _____ (Company Name)

Notary Public Signature: _____ (Seal)

EXHIBIT 7

CONTRACT INSURANCE REQUIREMENTS AND INSURANCE CERTIFICATE

Department of Law

Third Party Liability Claims Administrator Services

A. INSURANCE REQUIRED

Contractor must provide and maintain at Contractor's own expense, during the term of the Agreement and during the time period following expiration if Contractor is required to return and perform any work, services or operations, the insurance coverages and requirements specified below, insuring all work, services, or operations related to the Agreement.

1) Workers Compensation and Employers Liability (Primary and Umbrella)

Workers Compensation Insurance, as prescribed by applicable law covering all employees who are to provide work, services or operations under this Agreement and Employers Liability coverage with limits of not less than \$500,000 each accident; \$500,000 disease-policy limit; and \$500,000 disease each employee, or the full per occurrence limits of the policy, whichever is greater.

Contractor may use a combination of primary and excess/umbrella policy/policies to satisfy the limits of liability required herein. The excess/umbrella policy/policies must provide the same coverages/follow form as the underlying policy/policies.

2) Commercial General Liability (Primary and Umbrella)

Commercial General Liability Insurance or equivalent must be maintained with limits of not less than \$1,000,000 per occurrence, or the full per occurrence limits of the policy, whichever is greater, for bodily injury, personal injury, and property damage liability. Coverages must include but not be limited to the following: All premises and operations, products/completed operations, separation of insureds, defense, and contractual liability (not to include Endorsement CG 21 39 or equivalent).

The City must be provided additional insured status with respect to liability arising out of Contractor's work, services or operations performed on behalf of the City. The City's additional insured status must apply to liability and defense of suits arising out of Contractor's acts or omissions, whether such liability is attributable to the Contractor or to the City on an additional insured endorsement form acceptable to the City. The full policy limits and scope of protection also will apply to the City as an additional insured, even if they exceed the City's minimum limits required herein. Contractor's liability insurance must be primary without right of contribution by any other insurance or self-insurance maintained by or available to the City.

Contractor may use a combination of primary and excess/umbrella policy/policies to satisfy the limits of liability required herein. The excess/umbrella policy/policies must provide the same coverages/follow form as the underlying policy/policies.

3) Automobile Liability (Primary and Umbrella)

When any motor vehicles (owned, non-owned and hired) are used in connection with work, services, or operations to be performed, Automobile Liability Insurance must be maintained by the Contractor with limits of not less than \$1,000,000 per occurrence or the full per occurrence limits of the policy, whichever is greater, for bodily injury and property damage. The City is to be added as an additional insureds on a primary, non-contributory basis.

Contractor may use a combination of primary and excess/umbrella policy/policies to satisfy the limits of liability required herein. The excess/umbrella policy/policies must provide the same coverages/follow form as the underlying policy/policies.

4) Excess/Umbrella

Excess/Umbrella Liability Insurance must be maintained with limits of not less than \$1,000,000 per occurrence, or the full per occurrence limits of the policy, whichever is greater. The policy/policies must provide the same coverages/follow form as the underlying Commercial General Liability, Automobile Liability, Employers Liability and Completed Operations coverage required herein and expressly provide that the excess or umbrella policy/policies will drop down over reduced and/or exhausted aggregate limit, if any, of the underlying insurance. The Excess/Umbrella policy/policies must be primary without right of contribution by any other insurance or self-insurance maintained by or available to the City.

Contractor may use a combination of primary and excess/umbrella policies to satisfy the limits of liability required in sections A.1, A.2, A.3 and A.4 herein.

5) Professional Liability

When any, claims service professionals or any other professional consultants perform work, services, or operations in connection with this Agreement, Professional Liability Insurance covering acts, errors, or omissions must be maintained with limits of not less than \$2,000,000. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede start of work or services on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

6) Valuable Papers

When any, media, data, financials reports, records, and other related documents are produced or used under this Contract, Valuable Papers Insurance must be maintained in an amount to insure against any loss whatsoever, and must have limits sufficient to pay for the re-creation and reconstruction of such records.

7) Commercial Crime

Contractor must provide Commercial Crime coverage or equivalent covering all loss or damage by employee dishonesty, forgery or alteration, funds transfer, fraud, robbery, burglary, theft, destruction or disappearance, computer fraud, credit card forgery and other related crime risks. The policy limit must be written to cover losses in the amount of the maximum monies collected, received and in the possession of Contractor at any given time.

B. Additional Requirements

Evidence of Insurance. Contractor must furnish the City of Chicago, Department of Procurement Services, Room 806, 121 N. LaSalle Street, Chicago, IL 60602, original certificates of insurance and additional insured endorsement, or other evidence of insurance, to be in force on the date of this Contract, and renewal certificates of Insurance and endorsement, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Contract. Contractor must submit evidence of insurance prior to execution of Contract. The receipt of any certificate does not constitute Contract by the City that the insurance requirements in the Contract have been fully met or that the insurance policies indicated on the certificate are in compliance with all requirements of Contract. The failure of the City to obtain, nor the City's receipt of, or failure to object to a non-complying insurance certificate, endorsement or other insurance evidence from Contractor, its insurance broker(s) and/or insurer(s) will not be construed as a waiver by the City of any of the required insurance provisions. Contractor must advise all insurers of the Contract provisions regarding insurance. The City in no way warrants that the insurance required herein is sufficient to protect Contractor for liabilities which may arise from or relate to the Contract. The City reserves the right to obtain complete, certified copies of any required insurance policies at any time.

Failure to Maintain Insurance. Failure of the Contractor to comply with required coverage and terms and conditions outlined herein will not limit Contractor's liability or responsibility nor does it relieve Contractor of the obligation to provide insurance as specified in this Contract. Nonfulfillment of the insurance conditions may constitute a violation of the Contract, and the City retains the right to suspend this Contract until proper evidence of insurance is provided, or the Contract may be terminated.

Notice of Material Change, Cancellation or Non-Renewal. Contractor must provide for sixty (60) days prior written notice to be given to the City in the event coverage is substantially changed, canceled or non-renewed and ten (10) days prior written notice for non-payment of premium.

Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions on referenced insurance coverages must be borne by Contractor.

Waiver of Subrogation. Contractor hereby waives its rights and its insurer(s)' rights of and agrees to require their insurers to waive their rights of subrogation against the City under all required insurance herein for any loss arising from or relating to this Contract. Contractor agrees to obtain any endorsement that may be necessary to affect this waiver of subrogation, but this provision applies regardless of whether or not the City received a waiver of subrogation endorsement for Contractor's insurer(s).

Contractors Insurance Primary. All insurance required of Contractor under this Contract shall be endorsed to state that Contractor's insurance policy is primary and not contributory with any insurance carrier by the City.

No Limitation as to Contractor's Liabilities. The coverages and limits furnished by Contractor in no way limit the Contractor's liabilities and responsibilities specified within the Contract or by law.

No Contribution by City. Any insurance or self-insurance programs maintained by the City do not contribute with insurance provided by Contractor under this Contract.

Insurance not Limited by Indemnification. The required insurance to be carried is not limited by any limitations expressed in the indemnification language in this Contract or any limitation placed on the indemnity in this Contract given as a matter of law.

Insurance and Limits Maintained. If Contractor maintains higher limits and/or broader coverage than the minimums shown herein, the City requires and shall be entitled the higher limits and/or broader coverage maintained by Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

Joint Venture or Limited Liability Company. If Contractor is a joint venture or limited liability company, the insurance policies must name the joint venture or limited liability company as a named insured.

Other Insurance obtained by Contractor. If Contractor desires additional coverages, the Contractor will be responsible for the acquisition and cost.

Insurance required of Subcontractors. Contractor shall name the Subcontractor(s) as a named insured(s) under Contractor's insurance or Contractor will require each Subcontractor(s) to provide and maintain Commercial General Liability, Commercial Automobile Liability, Worker's Compensation and Employers Liability Insurance and when applicable Excess/Umbrella Liability Insurance with coverage at least as broad as in outlined in Section A, Insurance Required. The limits of coverage will be determined by Contractor. Contractor shall determine if Subcontractor(s) must also provide any additional coverage or other coverage outlined in Section A, Insurance Required. Contractor is responsible for ensuring that each Subcontractor has named the City as an additional insured where required and name the City as an additional insured on an endorsement form at least as broad and acceptable to the City. Contractor is also responsible for ensuring that each Subcontractor has complied with the required coverage and terms and conditions outlined in this Section B, Additional Requirements. When requested by the City, Contractor must provide to the City certificates of insurance and additional insured endorsements or other evidence of insurance. The City reserves the right to obtain complete, certified copies of any required insurance policies at any time. Failure of the Subcontractor(s) to comply with required coverage and terms and conditions outlined herein will not limit Contractor's liability or responsibility.

City's Right to Modify. Notwithstanding any provisions in the Contract to the contrary, the City, Department of Law, Risk Management Office maintains the right to modify, delete, alter or change these requirements.

INSURANCE CERTIFICATE OF COVERAGE

Named Insured:

Address:

(Number and Street)

(City)

(State)

(ZIP)

Specification #: 712589

RFP: _____

Project #: _____

Contract #: _____

Description of Operation/Location

The insurance policies and endorsements indicated below have been issued to the designated named insured with the policy limits as set forth herein covering the operation described within the contract involving the named insured and the City of Chicago. The Certificate issuer agrees that in the event of cancellation, non-renewal or material change involving the indicated policies, the issuer will provide at least sixty (60) days prior written notice of such change to the City of Chicago at the address shown on this Certificate. This certificate is issued to the City of Chicago in consideration of the contract entered into with the named insured, and it is mutually understood that the City of Chicago relies on this certificate as a basis for continuing such agreement with the named insured:

Type of Insurance	Insurer Name	Policy Number	Expiration Date	Limits of Liability All Limits in Thousands
General Liability <input type="checkbox"/> Claims made <input type="checkbox"/> Occurrence <input type="checkbox"/> Premise-Operations <input type="checkbox"/> Explosion/Collapse Underground <input type="checkbox"/> Products/Completed-Operations <input type="checkbox"/> Blanket Contractual <input type="checkbox"/> Broad Form Property Damage <input type="checkbox"/> Independent Contractors <input type="checkbox"/> Personal Injury <input type="checkbox"/> Pollution				CSL Per Occurrence \$ _____ General Aggregate \$ _____ Products/Completed Operations Aggregate \$ _____
Automobile Liability				CSL Per Occurrence \$ _____
<input type="checkbox"/> Excess Liability <input type="checkbox"/> Umbrella Liability				Each Occurrence \$ _____
Worker=s Compensation and Employer=s Liability				Statutory/Illinois Employers Liability \$ _____
Builders Risk/Course of Construction				Amount of Contract
Professional Liability				\$ _____
Owner Contractors Protective				\$ _____
Other				\$ _____

- Each Insurance policy required by this agreement, excepting policies for workers compensation and professional liability, will read: The City of Chicago is an additional insured as respects operations and activities of, or on behalf of the named insured, performed under contract with or permit from the City of Chicago.
- The General, Automobile and Excess/Umbrella Liability Policies described provide for severability of Interest (cross liability) applicable to the named insured and the City.
- Workers Compensation and Property Insurers shall waive all rights of subrogation against the City of Chicago.
- The receipt of this certificate by the City does not constitute agreement by the City that the insurance requirements in the contract have been fully met, or that the insurance policies indicated by this certificate are in compliance with all contract requirements.

Name and Address of Certificate Holder and Recipient of Notice

Certificate Holder/Additional Insured
City of Chicago
Procurement Department
121 N. LaSalle St., #806
Chicago, IL 60602

Signature of Authorized Rep. _____
Agency/Company: _____
Address _____
Telephone _____

EXHIBIT 8: HIPAA BUSINESS ASSOCIATE AGREEMENT

BUSINESS ASSOCIATE AGREEMENT

The City of Chicago (“City”) and _____ (“Business Associate”) agree to the following terms and conditions, which are intended to comply with the Health Insurance Portability and Accountability Act of 1996, the Health Information Technology for Economic and Clinical Health Act, and their implementing regulations:

The terms below that are capitalized and in bold have the same meanings as set forth in the Health Insurance Portability and Accountability Act of 1996, the Health Information Technology for Economic and Clinical Health Act, which is part of the American Recovery and Reinvestment Act of 2009, and the regulations promulgated thereunder, including the privacy, security, breach, omnibus, and enforcement rules, as each may be amended from time to time (collectively, “HIPAA”). See 45 CFR parts 160 and 164.

Specifically, the following terms used in the Business Associate Agreement shall have the same meaning as in HIPAA: **Breach, Business Associate, Covered Entity, Data Aggregation, Designated Record Set, Disclosure, Financial Remuneration, Fundraising, Health Care Operations, Individual, Marketing, Minimum Necessary, Notice of Privacy Practices, Protected Health Information (“PHI”), Required By Law, Secretary, Security Incident, Subcontractor, Unsecured Protected Health Information, and Use.** The term “**Breach**” has the meaning as set forth in HIPAA when capitalized below, but has the ordinary dictionary meaning when not capitalized below.

For purposes of this Business Associate Agreement, the term “Protected Health Information” or “PHI” includes electronic PHI, also known as ePHI.

1. Interpretation of this Business Associate Agreement. A reference in this Business Associate Agreement to HIPAA means the section in effect or as amended. If there is a dispute as to whether Business Associate is, in fact, a Business Associate, the Business Associate must provide a legal memorandum to the City indicating why the Business Associate does not fall under the definition of Business Associate in HIPAA. If the City disagrees with the legal memorandum regarding the Business Associate’s conclusion that Business Associate is not a Business Associate, the City may choose to report a Breach to the Secretary or take other measures as deemed necessary to ensure the City’s compliance with HIPAA. Any ambiguity or inconsistency in this Business Associate Agreement shall be resolved in favor of a meaning that permits City to comply with HIPAA.

2. Amendment of this Business Associate Agreement. The parties hereto agree to negotiate in good faith to amend this Agreement from time to time as is necessary for City to comply with the requirements of HIPAA and for Business Associate to provide services to City. However, no change, amendment, or modification of this Agreement shall be valid unless it is set forth in writing and signed by both parties.

3. Designation of HIPAA Officer(s). Business Associate agrees to designate, in writing, a HIPAA Privacy and Security Officer(s) who will communicate with the City's HIPAA Privacy and Security Officers for purposes of this Agreement. Business Associate agrees to notify the City's HIPAA Privacy and Security Officers of such designation and the contact information of such officer(s):

Stephen Murphy
HIPAA Privacy Officer
312-747-9605

hipaaprivacyofficer@cityofchicago.org

Danielle DuMerer
HIPAA Security Officer
312-742-1221

hipaasecurityofficer@cityofchicago.org

4. Uses and Disclosures of PHI. Business Associate must not use or further disclose Protected Health Information ("PHI") other than as permitted or required by this Agreement, as necessary to perform the services in this Agreement, or as required by law.

- a. Business Associate will not sell PHI or use or disclose PHI for the purposes of marketing or fundraising.
- b. Business Associate shall not directly or indirectly receive financial remuneration in exchange for any PHI of an individual or in exchange for making communications regarding treatment or health care operations purposes, unless otherwise allowed in this Agreement.
- c. If Business Associate is authorized to use PHI to provide the City with de-identified information, Business Associate is not permitted to use or disclose the de-identified information for purposes other than those specified in the Agreement.
- d. Business Associate may use PHI to provide data aggregation services to the City, relating to the health care operations of the City.
- e. Business Associate may use and disclose PHI received by the Business Associate in its capacity as a Business Associate to the City, if necessary, for the proper management and administration of Business Associate or to carry out the legal responsibilities of Business Associate, provided that, as to any such disclosure, the following requirements are met:
 - i. The disclosure is required by law; or
 - ii. The Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the person, and the person notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been the subject of a Breach.
- f. Except as otherwise limited in this Agreement, Business Associate may use and disclose PHI obtained from or on behalf of the City to perform functions, activities, or services for, or on behalf of, the City as specified in the Agreement, provided that such use or disclosure would not violate HIPAA if done by the City.

5. Minimum Necessary. Business Associate shall use, disclose, or request only the minimum necessary PHI necessary to accomplish the intended purpose of the use, disclosure, or request. Business Associate represents that the PHI used, disclosed, or requested by Business Associate is the minimum necessary to carry out purposes of the Agreement. Prior to any use or disclosure, Business Associate shall determine whether a limited data set would be sufficient for these purposes.

6. Safeguards of PHI. Business Associate must use appropriate safeguards with respect to PHI that it creates, receives, maintains, or transmits on behalf of the City to prevent the use or disclosure of PHI other than as provided for in this Agreement. The safeguards must reasonably protect PHI from any intentional or unintentional use or disclosure in violation of HIPAA privacy regulations (45 CFR Part 164, subpart E) and limit incidental uses or disclosures made pursuant to a use or disclosure otherwise permitted by this Agreement. The safeguards must also reasonably and appropriately protect the confidentiality, integrity, and availability of PHI that Business Associate creates, receives, maintains, or transmits on the City's behalf as required by the HIPAA security regulations (45 CFR Part 164, subpart C). Where applicable, Business Associate must comply with the HIPAA security regulations (45 CFR Part 164, subpart C) with respect to electronic protected health information, to prevent the use or disclosure other than as provided for by this Agreement. Where feasible, PHI will not leave the City's facilities and will be accessed under the supervision of City employees.

7. Applicability of Business Associate Agreement to Subcontractors and Agents. Business Associate must ensure that any agent, including a subcontractor, that creates, receives, maintains, or transmits PHI on behalf of the Business Associate agrees to the same restrictions, conditions, and requirements that apply through this Agreement to Business Associate with respect to such information, by entering into a contract or other arrangement that complies with HIPAA. An agent or subcontractor of a Business Associate is not permitted to use or disclose PHI in a manner that would not be permissible if done by the Business Associate. Business Associate will ensure that its subcontractors and agents to which Business Associate is permitted by this Agreement or in writing by the City to disclose PHI agree to implement reasonable and appropriate safeguards to protect PHI. Business Associate will obtain reasonable assurances from any subcontractors and agents to which Business Associate discloses PHI that the subcontractor or agent will hold PHI in confidence and further use or disclose PHI only for the purpose for which Business Associate disclosed PHI to the subcontractor or agent or as required by law.

Business Associate will obtain reasonable assurances that any subcontractor or agent to which Business Associate discloses PHI will notify the Business Associate within 5 calendar days (who will, in turn, notify the City within 5 calendar days, as described below) of any instance in which the subcontractor or agent becomes aware of a Breach of unsecured PHI; possible Breach of unsecured PHI; any security incident of which it becomes aware, including: any attempted or successful unauthorized access, use, disclosure, modification, or destruction of PHI; or any attempted or successful interference with agent or subcontractor's system operations of which agent/subcontractor becomes aware.

Agent/subcontractor is not required to report the following types of unsuccessful security incidents: pings and other broadcast attacks on agent/subcontractor's firewall, port scans, unsuccessful log-on

attempts, denial of service attacks, and any combination of the above, so long as no such incident results in unauthorized access, use, or disclosure of PHI.

If a delay is requested by a law enforcement official in accordance with 45 CFR 164.412, agent/subcontractor may delay notification to Business Associate for the time period specified in HIPAA. Agent or subcontractor's report will include the information described in 45 CFR 164.404(c) and such other information as the Business Associate or the City may reasonably request.

8. Reporting of Breaches, Potential Breaches, and Security Incidents. Business Associate must report to the City any use or disclosure of the PHI not provided for by this Agreement of which it becomes aware, as well as any Breach of Unsecured PHI; potential Breach of unsecured PHI; any security incident of which it becomes aware; any attempted or successful unauthorized access, use, disclosure, modification, or destruction of PHI; or any attempted or successful interference with Business Associate's system operations of which Business Associate becomes aware.

Business Associate will make the report to the City's HIPAA Privacy and Security Officers not more than five (5) calendar days after Business Associate discovers such non-permitted use or disclosure, Breach, security incident, or other incident as described above. Business Associate shall provide any reports or notices required by HIPAA as a result of Business Associate's Breach. On behalf of the City, Business Associate will provide such reports or notices to any party or entity (including but not limited to media, Secretary, and individuals affected by the Breach) entitled by law to receive the reports or notices. Business Associate agrees to pay the costs associated with notifying individuals affected by the Breach, which may include, but are not limited to, paper, printing, and mailing costs.

Business Associate is not required to report the following types of unsuccessful security incidents: pings and other broadcast attacks on Business Associate's firewall, port scans, unsuccessful log-on attempts, denial of service attacks, and any combination of the above, so long as no such incident results in unauthorized access, use, or disclosure of PHI.

If a delay is requested by a law enforcement official in accordance with 45 CFR 164.412, Business Associate may delay notifying City for the time period specified in HIPAA. Business Associate's report will include the information described in 45 CFR 164.404(c) and such other information as the City may reasonably request.

9. Mitigation and Penalties. Business Associate must mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a Breach or of a use or disclosure of PHI by Business Associate in violation of the requirements of this Agreement. Business Associate shall take reasonable steps to put corrective measures in place to prevent future Breaches (such as retraining employees and upgrading security systems). At the City's request, Business Associate shall take reasonable steps to put corrective measures in place to prevent future Breaches (such as retraining employees and upgrading security systems). At the City's request, Business Associate shall take reasonable steps to mitigate the harm to affected Individuals whose PHI has been or may have been

compromised as a result of a Breach by Business Associate, including obtaining credit monitoring services and offering identity theft insurance. To the extent that the City incurs civil or criminal monetary penalties as a result of a Breach by the Business Associate, the Business Associate agrees to reimburse the City for such penalties.

10. Designated Record Sets - Access. If the Business Associate has PHI in a Designated Record Set, then Business Associate must provide access to or otherwise make available, at the request of the City, and in the time and manner designated by the City, PHI in a Designated Record Set, to the City or, as directed by City, to an Individual in order to meet the requirements under 45 CFR 164.524.

11. Designated Record Sets – Amendments. If the Business Associate has PHI in a Designated Record Set, then Business Associate must make any amendments to PHI in a Designated Record Set that the City directs or agrees to pursuant to 45 CFR 164.526 at the request of City or an Individual, and in the time and manner designated by the City.

12. Internal Practices, Books, and Records. Business Associate must make its internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by the Business Associate on behalf of, the City available to the Secretary for purposes of determining compliance with HIPAA. Business Associate also must make internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by Business Associate on behalf of, the City available to the City in a time and manner designated by the City, for purposes of the Secretary determining City's compliance with HIPAA.

13. Accounting of Disclosures - Documentation. Business Associate must document the disclosures of PHI and information relating to such disclosures as would be required for City to respond to a request by an individual for an accounting of disclosures of PHI in accordance with HIPAA, specifically 45 CFR 164.528.

14. Accounting of Disclosures – Provision of Information. Business Associate must provide to City or an individual, in time and manner designated by City, information collected which relates to the disclosure of PHI, to permit City to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR 164.528. If the Business Associate receives a request for accounting of disclosures directly from the individual, the Business Associate must respond to such request for an accounting of disclosures, provide the accounting of disclosures to the individual within the time required by 45 CFR 164.528, and provide the information regarding such request to the City, in the time and manner designated by the City.

15. Survival, Termination, and Return or Destruction of PHI. Upon termination of this Agreement for any reason, the Business Associate's obligations under these contractual obligations shall survive termination and remain in effect:

- (a) until Business Associate has completed the return or destruction (in accordance with the US Department of Health and Human Services' Guidance to Render Unsecured Protected Health

Information Unusable, Unreadable, or Indecipherable to Unauthorized Individuals) of all of the PHI provided by City to Business Associate, or created or received by Business Associate on behalf of City, and
(b) to the extent that Business Associate retains any PHI.

Upon the expiration or termination of the underlying Agreement, if feasible, the Business Associate must either:

- (1) return all PHI received from the City, or created, maintained, or received by Business Associate on behalf of the City, which the Business Associate still maintains in any form, to the City or
- (2) destroy it, at the City's option (in accordance with the US Department of Health and Human Services' Guidance to Render Unsecured Protected Health Information Unusable, Unreadable, or Indecipherable to Unauthorized Individuals).

This provision shall apply to PHI that is in the possession of subcontractors or agents of Business Associate. Business Associate shall retain no copies of the PHI.

If Business Associate determines that returning or destroying the PHI is infeasible, Business Associate shall extend the protections of this Agreement to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as Business Associate maintains such PHI. If it is infeasible for Business Associate to obtain, from a subcontractor or agent any PHI in the possession of the subcontractor or agent, Business Associate shall require the subcontractors and agents to agree to extend any and all protections, limitations and restrictions contained in this Agreement to the subcontractors' and/or agents' use and/or disclosure of any PHI retained after the termination of this Agreement, and to limit any further uses and/or disclosures to the purposes that make the return or destruction of the PHI infeasible.

In the event of a breach of the terms of these contractual obligations, the cure and remedies of the Agreement shall govern. HIPAA's privacy rule (45 CFR § 164.504(e)(2)) requires that the Business Associate will authorize termination of the contract by the City, if the City determines that the Business Associate has violated a material term of these contractual obligations.

16. Compliance with Obligations. To the extent the Business Associate is to carry out one or more of City's obligation(s) under Subpart E of 45 CFR Part 164, the Business Associate must comply with the requirements of Subpart E that apply to the City in the performance of such obligation(s). Business Associate may not use or disclose PHI in a manner that would violate Subpart E of 45 CFR Part 164 if done by the City.

17. No Third Party Rights. The terms and conditions of this Agreement are intended for the sole benefit of Business Associate and City and do not create any third party rights.

18. Governing Law. To the extent not preempted by federal law, the Agreement shall be governed and construed in accordance with the laws of the State of Illinois.

IN WITNESS WHEREOF, each of the undersigned has caused this Agreement to be duly executed in its name and on its behalf.

[Insert business associate's name]

By:

Print Name:

Title:

Date:

By:

Print Name:

Title:

Date:

EXHIBIT 9

CITY OF CHICAGO SAMPLE PROFESSIONAL SERVICES AGREEMENT

The sample Professional Services Agreement is provided in a separate PDF document along with this solicitation and is available on the DPS website, www.cityofchicago.org/bids.

Respondents are directed to review the provided Professional Services Agreement: filename:
Spec712589_Exhibit_9.pdf

EXHIBIT 10

LOCAL AND OTHER PREFERENCES: ADJUSTMENTS TO THE COST PROPOSAL AND AFFIDAVITS

A. City-based Businesses (Chicago Business Preference)

For purposes of this section only, the following definitions shall apply:

"City-based business" means a person who (i) conducts meaningful day-to-day business operations at a facility located within the city and reports such facility to the Internal Revenue Service as a place of employment for the majority of its regular, full-time workforce; (ii) holds any appropriate city license; and (iii) is subject to applicable city taxes.

"Contract" means any contract, purchase order or agreement awarded by the city and whose cost is to be paid from funds belonging to or administered by the city; provided that a contract does not include: (i) a delegate agency contract; (ii) a lease of real property; or (iii) a collective bargaining agreement.

"Prime Contractor" means a person who is a city-based business and the primary contractor on a contract. A "Prime Contractor" does not include any subcontractors.

If these RFP Documents pertain to a Contract having an estimated contract value of \$100,000 or more, the CPO may apply a bid preference ("City Based Business Preference") of two percent of the cost proposal, in accordance with section 2-92-412 of the MCC, to any qualified Respondent that is a prime contractor.

Respondents desiring to take advantage of the City Based Business Preference must submit documentation with their Proposal that Respondent is a City-Based Business: a "City-Based Business Affidavit" and a copy of any Chicago business license(s) if applicable.

B. Alternatively Powered Vehicles Proposal Incentive

i. Definitions for Alternatively Powered Vehicles Bid Incentive

For purposes of this Section B only, the following definitions apply:

"Alternative fuel" has the meaning ascribed to that term in the Energy Policy Act of 1992, and the rules promulgated by the United States Department of Energy pursuant to that Act. The term "alternative fuel" includes but is not limited to natural gas, liquefied petroleum gas, hydrogen, ethanol E85 or electricity;

"Alternatively powered vehicle" means a vehicle that:

(a) is fueled by alternative fuel; provided that if a vehicle is capable of being powered by alternative fuel and traditional petroleum-based gasoline or petroleum-based diesel fuel, the vehicle must be powered by the alternative fuel for no less than 80% BTUs consumed during the three months prior to the submission of the bid; or

(b) is commonly referred to as a hybrid vehicle that is capable of being powered by a combination of any fuel and an alternative power source and the alternative power source includes an energy storage system to store generated or accumulated energy which substantially reduces the fuel use and emissions when compared to a standard vehicle of the same age, type and size; or

(c) is fueled by a biodiesel blend; provided that the vehicle is powered by the biodiesel blend for no less than 80% of the gallons consumed during the three months prior to the submission of the bid; or

(d) is fueled by traditional petroleum-based gasoline or petroleum-based diesel fuel, but powered by an engine substantially more efficiently designed than a standard vehicle of the same age, type and size; provided that the vehicle is rated by the United States Environmental Protection Agency in the top 5% for fuel efficiency for similar vehicles.

An "alternatively powered vehicle" does not include any vehicle which is: (i) primarily used in a warehouse or similar type of enclosed structure; (ii) required to use, or given credit for using, alternative fuel by any federal, state or local law; or (iii) subject to Section 2-92-595 of the Municipal Code of Chicago.

"Biodiesel blend" has the meaning ascribed to that term in Section 2-92-595 of the Municipal Code of Chicago.

"Construction project" has the meaning ascribed to that term in Section 2-92-335 of the Municipal Code of Chicago.

"Contract" means any contract, purchase order, construction project, or other agreement (other than a delegate agency contract or lease of real property or collective bargaining agreement) awarded by the city and whose cost is to be paid from funds belonging to or administered by the city.

"Contract cost proposal" means the total dollar amount a Respondent proposes as its cost proposal on an RFP without factoring any incentive or preference.

"Eligible business" means a business located within the counties of Cook, DuPage, Kane, Lake, McHenry or Will in the State of Illinois (the "Six County Region"), and as to which: (1) a majority of the business' fleet is located and used within the Six County Region; and (2) a majority of those vehicles located and used within the Six County Region are alternatively powered vehicles.

"Fleet" means 10 or more vehicles that are owned, operated, leased or otherwise controlled by a business.

"Proposal Incentive" means an amount deducted, for proposal evaluation purposes only, from the Respondent's cost proposal in order to calculate the cost or price to be used to evaluate the proposal.

"Vehicle" means every device powered by a motor or engine and by, upon, or in which any person or property is or may be transported or drawn upon a street or highway, except a "vehicle" shall not include motorized wheelchairs, golf carts, neighborhood electric vehicles, as that term is defined in Section 9-4-010 of the Municipal Code of Chicago, devices moved solely by human power, devices used exclusively upon stationary rails or tracks, or snowmobiles, as defined in the Snowmobile Registration and Safety Act of Illinois.

ii. Eligibility for Alternatively Powered Vehicles Proposal Incentive

If these RFP Documents pertain to a Contract having an estimated contract value of \$100,000 or more, the CPO may apply a proposal incentive of 1/2% to the contract cost proposal of a qualified respondent when the qualified respondent is an eligible business.

The incentive is used only to calculate an amount to be used in evaluating the price, and it will not affect the price of any contract that may ultimately be awarded.

For purposes of this section the total dollar value of a construction project contract includes both materials and labor.

- (b) As a condition of being awarded a contract after claiming this incentive, the eligible business shall continue to meet the definition of an eligible business during the term of the contract.
- (c) The contractor shall maintain adequate records necessary to monitor compliance with this section and shall submit such reports as required by the chief procurement officer. Full access to the contractor's and subcontractors' records shall be granted to the chief procurement officer, the commissioner of the supervising department, the inspector general, or any duly authorized representative thereof. The contractor and subcontractors shall maintain all relevant records for a period of no less than seven years after final acceptance of the work.
- (d) A Respondent desiring to receive an incentive pursuant to this section shall include with its bid submission the Affidavit of Eligible Business for Proposal Incentive for Alternative Powered Vehicles, which affirms that the Respondent satisfies all pertinent requirements as an eligible business.
- (e) Upon completion of the work, any eligible business that receives a preference but that fails to meet the definition as an eligible business during the term of the contract shall be fined in an amount equal to three times the amount of the incentive.
- (f) This section shall not apply to any contract to the extent that the requirements imposed by this section are inconsistent with procedures or standards required by any law or regulation of the United States or the State of Illinois to the extent such inconsistency is not permitted under law or the home rule powers of the city.

C. Veteran-Owned Small Local Business Enterprises and Eligible Joint Ventures

For purposes of this section only, the following definitions shall apply:

"Bid incentive" means an amount deducted, for bid evaluation purposes only, from the contract base bid in order to calculate the bid price to be used to evaluate the bid on a competitively bid contract.

"Contract base bid" means the total dollar amount a contractor bids on a contract without factoring any bid incentive or percentage reductions to the bid amount.

"Eligible joint venture" means an association of one or more small business enterprises in combination with one or more veteran-owned business enterprises, proposing to perform as a single for-profit business enterprise, in which each joint venture partner contributes property, capital, efforts, skill and knowledge. Joint ventures must have an agreement in writing specifying the terms and conditions of the relationship between the partners and their respective roles in the contract.

"Owned" means, as MCC 2-92-670 may be updated from time to time, having all of the customary incidents of ownership, including the right of disposition, and sharing in all of the risks, responsibilities and profits commensurate with the degree of ownership.

"Small business enterprise" means, as MCC 2-92-670 may be updated from time to time, a small business as defined by the U.S. Small Business Administration, pursuant to the business size standards found in 13 C.F.R. Part 121, relevant to the scope(s) of work the firm seeks to perform on city contracts. A firm is not an eligible small business enterprise in any city fiscal year in which its gross receipts, averaged over the firm's previous five fiscal years, exceed the size standards of 13 C.F.R. Part 121.

"Veteran-owned business enterprise" means an enterprise which: (1) is at least 51 percent owned by one or more veterans, or in the case of a publicly held corporation, at least 51 percent of all classes of the stock of which is owned by one or more veterans, whose management, policies, major decisions and daily business operations are independently managed and controlled by one or more veterans; or (2) has been certified by the State of Illinois as a qualified service-disabled veteran-owned small business or a qualified veteran-owned small business pursuant to 30 ILCS 500/45-57.

"Veteran-owned small local business" means a business that is both a veteran-owned business enterprise and a small local business enterprise as defined in Section 2-92-670.

"Veteran" means a person who has served in the United States armed forces and was discharged or separated under honorable conditions.

Unless otherwise prohibited by any federal, state or local law, the CPO shall allocate a bid incentive of 5% of the contract base price, in accordance with section 2-92-418 of the MCC, to any qualified bidder that is a veteran-owned small local business or an eligible joint venture.

Bidders desiring to receive this incentive must submit an affidavit and other supporting documents demonstrating that the bidder satisfies all pertinent requirements as a veteran-owned small local business or an eligible joint venture.

As a condition of being awarded the bid incentive, the veteran-owned small local business or eligible joint venture shall continue to meet the definition of a veteran-owned small local business or an eligible joint venture. If a contract is awarded to the veteran-owned small local business or eligible joint venture, upon completion of the work, any veteran-owned small local business or eligible joint venture that receives a bid preference but fails to meet the definition of a veteran-owned small local business or eligible joint venture during the term of the contract for which the bid incentive was awarded shall be fined in an amount equal to three times the amount of the bid incentive awarded.

The contractor shall maintain adequate records necessary to ensure compliance with this section and shall submit such reports as required by the chief procurement officer. Full access to the contractor's and subcontractors' records shall be granted to the chief procurement officer, the commissioner of the supervising department, the inspector general, or any duly authorized representative thereof. The contractor and subcontractor shall maintain all

relevant records a period that is the longer of seven years or as after final acceptance of the work in accordance with the Local Records Act.

D. Commitment Regarding Business Enterprises Owned By People With Disabilities (BEPD)

i. Policy and Terms

It is the policy of the City that businesses certified as Business Enterprises owned by People with Disabilities (BEPD) in accordance with MCC 2-92-337 *et seq.*, *Regulations Governing Certification of Business Enterprises owned by People with Disabilities*, and all other Regulations promulgated under the aforementioned sections of the Municipal Code; shall have the full and fair opportunities to participate fully in the performance of this Contract. Therefore, the Bidder or Contractor shall not discriminate against any person or business on the basis of disability, and shall take affirmative actions to ensure BEPDs shall have full and fair opportunities to compete for and perform subcontracts for supplies or services.

Failure to carry out the commitments and policies set forth herein shall constitute a material breach of the Contract and may result in the termination of the Contract or such remedy as the City deems appropriate.

ii. Definitions

For purposes of this section only, the following definitions apply:

- (A) "Business Enterprises owned or operated by People with Disabilities" or "BEPD" has the same meaning ascribed to it in section 2-92-586.
- (B) "Bid incentive" means an amount deducted, for bid evaluation purposes only, from the contract base bid in order to calculate the bid price to be used to evaluate the bid on a competitively bid contract.
- (C) "Contract base bid" means the total dollar amount a contractor bids on a contract without factoring any bid incentive or percentage reductions to the bid amount.

iii. Commitments

Where not otherwise prohibited by federal, state, or local law, the CPO shall allocate to any qualified bidder the following bid incentive for utilization of a BEPD as a prime contractor or subcontractor in the performance of the contract.

% of total dollar contract amount performed by BEPD	Bid incentive
2 to 5%	1% of the contract base bid
6 to 9%	2% of the contract base bid
10 to 13%	3% of the contract base bid
14% or more	4% of the contract base bid

The bid incentive shall be calculated and applied in accordance with the provisions of this section. The bid incentive is used only to calculate an amount to be used in evaluating the bid. The bid incentive does not affect the contract price.

Upon completion of the work, any Contractor that has failed to retain the percentage of BEPD subcontractors for which a bid incentive was taken into consideration in awarding of a contract shall be fined an amount equal to three times the amount of the bid incentive allocated, unless the Contractor can demonstrate that due to circumstances beyond the Contractor's control, the Contractor for good cause was unable to retain the percentage of BEPD participants throughout the duration of the contract period.

iv. Records and Reports

The Contractor shall maintain accurate and detailed books and records necessary to monitor compliance with this section and shall submit such reports as required by the CPO, or the commissioner of the supervising department.

Full access to the Contractor's and Subcontractor's records shall be granted to the CPO, the commissioner of the supervising department, or any duly authorized representative thereof. The Contractor and Subcontractors shall maintain all relevant records for a period of at least three years after final acceptance of the work.

E. Commitment to Encourage Diverse Workforce and Management (2-92-407 of the Municipal Code of Chicago)

For purposes of this section only, the following definitions shall apply:

“Contract” means the contract, purchase order or agreement awarded by the City and whose cost is to be paid from funds belonging to or administered by the City; provided that the term “Contract” does not include: (i) a delegate agency contract; (ii) a lease of real property; or (iii) a collective bargaining agreement.

“Diverse” means any of the following racial or ethnic groups:

African-Americans or Blacks (persons having origins in any of the Black racial groups of Africa);

Hispanics (persons of Spanish culture with origins in Mexico, South or Central America or the Caribbean Islands, regardless of race);

Asian-Americans (persons having origins in any of the original peoples of East Asia, Southeast Asia, the Indian subcontinent, or the Pacific Islands); and

Other groups, or other individuals, found by the board to be socially and economically disadvantaged and to have suffered actual racial, ethnic or gender discrimination and decreased opportunities to compete in Chicago area markets or to do business with the City.

“Prime Contractor” means the Contractor and does not include any subcontractors.

“Management” means business owners, partners and any others who have a fiduciary duty to the business.

“Workforce” means all who are employed by Contractor in a permanent, full-time employment capacity.

Unless otherwise prohibited by any federal, state or local law, for any contract having an estimated contract value of \$100,000 or more advertised, or if not advertised awarded by competitive bid, the CPO shall allocate to any qualifying bidder the following bid incentive for diverse management and diverse workforce:

Total % Of Contractor Management That Is Diverse	Bid Incentive
10% To 20%	0.5% Of The Contract Base Bid
Greater Than 20% Up To 40%	2% Of The Contract Base Bid
Greater Than 40%	4% Of The Contract Base Bid
Total % Of Contractor Workforce That Is Diverse	Bid Incentive
10% To 20%	2% Of The Contract Base Bid

Greater Than 20% Up To 40%	4% Of The Contract Base Bid
Greater Than 40%	6% Of The Contract Base Bid

A Prime Contractor may qualify for and apply both the diverse management and diverse workforce bid incentives.

The bid incentive is used only to calculate an amount to be used in evaluating the bid to determine the low bidder, and it does not affect the Contract price.

The Prime Contractor shall maintain records adequate to monitor compliance with this section and shall submit such reports as required by the CPO. Full access to the Prime Contractor's records shall be granted to the CPO, the Commissioner of the supervising department, the Inspector General, or any duly authorized representative thereof. The Prime Contractor shall maintain all relevant records for a period of no less than three years after the expiration of the Contract.

The CPO may require, at the time of submission of a bid or at any time during the term of the Contract, that the bidder or Prime Contractor submit an affidavit and other supporting documents demonstrating that the bidder or Prime Contractor is eligible for the diverse management and/or diverse workforce bid incentives.

Upon completion of the work, any Prime Contractor that has failed to retain the percentage of diverse management and/or diverse workforce for which a bid incentive was taken into consideration in awarding of a contract shall be fined in an amount equal to three times the amount of the bid incentive allocated, unless the Prime Contractor can demonstrate that due to circumstances beyond the Prime Contractor's control, the Prime Contractor for good cause was unable to retain the percentage of diverse management and/or diverse workforce throughout the duration of the Contract period.

CITY-BASED BUSINESS AFFIDAVIT

The City-Based Business preference of 2% is applicable to Contracts funded in whole by City funds. Respondent must complete this form, and provide a copy of its Chicago business license(s) if applicable, if it desires to be considered for this preference. Respondents that do not complete this page will not be regarded as City-Based Businesses. If Respondent's operations are at multiple locations in the City of Chicago, use additional sheets if necessary.

1. Is Respondent a "City-Based Business" as defined in the "Local and Other Preferences" portion of this solicitation and in MCC 2-92-412?
() Yes () No
2. Does the Respondent report to the Internal Revenue Service that the place of employment for the majority (more than 50%) of its regular, full-time workforce is a facility within the City of Chicago?
() Yes () No
3. Does the Respondent conduct meaningful day-to-day business operations at a facility within the City of Chicago?
() Yes () No
4. Street address of business location within the City of Chicago (P.O. address not accepted):

5. Describe the business activities are carried out at the location listed above: _____

6. How many full-time regular employees are currently employed at the location listed above? _____
7. Total number of full-time regular employees employed at all locations worldwide? _____
8. List City of Chicago business license(s) held; attach copies. If none are required, indicate "none required":

Respondent understands that it may be required to produce records to the Chief Procurement Officer to verify the information provided.

Under penalty of perjury the person signing below: (1) warrants that he/she is authorized to execute this Affidavit on behalf of Respondent, and (2) warrants that all certifications and statements contained in this Affidavit are true, accurate, and complete as of the date of execution.

Name of Respondent: _____
(Print or Type)

Signature of Authorized Officer: _____
(Signature)

Title of Signatory: _____
(Print or Type)

State of _____

County of _____

Signed and sworn (or affirmed) to before me on _____ (date) by _____ (name/s of person/s making statement).

(Signature of Notary Public)

(Seal)

INCENTIVE FOR ALTERNATIVELY POWERED VEHICLES AFFIDAVIT

An Eligible Business incentive for alternatively powered vehicles may be applicable. Respondent must complete this form if it desires to be considered for this incentive. Respondents who do not complete and submit this form with their proposals will be deemed to be non-Eligible Businesses.

1. Is Respondent a business located within the counties of Cook, DuPage, Kane, Lake, McHenry or Will in the State of Illinois (the "Six County Region")? () Yes () No

2. Street address of principal place of business: _____

3. How many total vehicles, as defined in the Local and Other Preferences section of this solicitation, "Incentive for Alternatively Powered Vehicles," are currently owned, operated, leased or otherwise controlled by respondent?

Line 3(a): _____

4. How many of respondent's vehicles are located and used within the Six County Region?

Line 4(a): number of vehicles _____

Line 4(b): percentage of fleet (line 4(a) divided by line 3(a)) _____ %

5. How many of respondent's vehicles located and used within the Six County Region are alternatively powered vehicles, as defined in the Local and Other Preferences section of this solicitation, "Incentive for Alternatively Powered Vehicles?"

Line 5(a): number of vehicles _____

Line 5(b): percentage of Six County fleet (line 5(a) divided by line 4(a)) _____ %

Respondent understands that it may be required to produce records to the chief procurement officer to verify the information provided.

Under penalty of perjury the person signing below: (1) warrants that he/she is authorized to execute this Affidavit on behalf of bidder, and (2) warrants that all certifications and statements contained in this Affidavit are true, accurate, and complete as of the date of execution.

Name of Respondent: _____
(Print or Type)

Signature of Authorized Officer: _____
(Signature)

Title of Signatory: _____
(Print or Type)

State of _____

County of _____

Signed and sworn (or affirmed) to before me on _____ (date) by
_____ (name/s of person/s making statement).

(Signature of Notary Public)

(Seal)

VETERAN-OWNED SMALL LOCAL BUSINESS ENTERPRISE AND ELIGIBLE JOINT VENTURE AFFIDAVIT

Bidder must complete this form if it desires to be considered for the bid incentive as described in Section 2-92-418 of the Municipal Code of Chicago ("MCC") for Veteran-Owned Small Local Businesses and Eligible Joint Ventures. Bidders that do not complete this page will not be regarded as veteran-owned small local businesses or eligible joint ventures. Please use additional sheets if necessary. Attach all relevant certifications and/or support documents.

1. Is bidder a "veteran-owned small local business" as defined in Exhibit 10C of this bid solicitation and in MCC 2-92-418?
() Yes () No If Yes, skip to #5 below.
2. Is bidder an "eligible joint venture" as defined in Exhibit 10C of this bid solicitation and in MCC 2-92-418?
() Yes () No
3. Is at least one member of the eligible joint venture a "small business enterprise" as defined in MCC 2-92-670?
() Yes () No
4. Is at least one member of the eligible joint venture a "veteran-owned business enterprise" as that term is defined in MCC 2-92-670?
() Yes () No
5. Is the veteran-owned business identified in either #1 or #4 above certified by the State of Illinois as a qualified service-disabled veteran-owned small business or a qualified veteran-owned small business pursuant to 30 ILCS 500/45-57? If yes, please provide appropriate documentation.
() Yes () No
6. If the answer to # 5 above is no, is the veteran-owned business an enterprise which is at least 51 percent owned by one or more veterans, or in the case of a publicly held corporation, at least 51 percent of all classes of stock of which are owned by one or more veterans?
() Yes () No
7. If qualifying as a veteran-owned business under the requirements of #6 above, please list all owners, their percentage of ownership interest, and provide appropriate documentation demonstrating status as veteran, as that term is defined in MCC 2-92-418.

8. List City of Chicago business license(s) held. If none are required, indicate "none required": _____

9. Provide address of the veteran-owned business, including the County in which it is located. _____

County:

Bidder understands that it may be required to produce records to the chief procurement officer to verify the information provided.

Under penalty of perjury the person signing below: (1) warrants that he/she is authorized to execute this Affidavit on behalf of bidder, and (2) warrants that all certifications and statements contained in this Affidavit are true, accurate, and complete as of the date of execution.

Bidder must complete the applicable signature line(s) on the following page.

Required Signature for All Applicants

Name of Veteran-Owned Business: _____

(Print or Type)

Signature of Authorized Officer for Veteran-Owned Business: _____

(Signature)

Title of Signatory: _____

(Print or Type)

Additional Required Signatures for Eligible Joint Venture Applicants

Name of Joint Venture (for eligible joint ventures only): _____

(Print or Type)

Name of SBE (for eligible joint ventures only): _____

(Print or Type)

Signature of Authorized Officer for SBE (for eligible joint ventures only): _____

(Signature)

Title of Signatory: _____

(Print or Type)

State of _____

County of _____

Signed and sworn (or affirmed) to before me on _____ (date) by

_____ (name/s of person/s making statement).

(Signature of Notary Public)

(Seal)

BIDDER'S COMMITMENT TO UTILIZE BUSINESS ENTERPRISES OWNED BY PEOPLE WITH DISABILITIES (BEPD)

The BEPD Incentive as described in Section 2-92-337 of the Municipal Code of Chicago ("MCC") is applicable to competitively bid contracts funded in whole by City funds. Bidder must submit this form with the bid if it desires to be considered for this bid incentive. Bidders that do not submit this page with their bid will not be eligible for this bid incentive. Attach additional sheets if necessary.

Note: The CPO may request additional information or documentation before determining to apply the preference.

1. Contract title: Third Party Liability Claims Administrator Services
Specification #: 712589
2. The value of work performed by BEPD prime contractors or subcontractors (as defined in MCC 2-92-586 and the applicable bid solicitation) that Bidder commits to provide will be what percentage of the total dollar value of the contract?
☐ 2% to 5%-- 1% incentive ☐ 6% to 9%-- 2% incentive
☐ 10% to 13%-- 3% incentive ☐ 14% or greater-- 4% incentive

Bidder understands that if it fails to utilize the committed percentage of BEPD subcontractors, under MCC 2-92-337 it may be fined in an amount equal to three times the amount of the bid incentive allocated, unless the prime contractor can demonstrate that due to circumstances beyond the prime contractor's control, the prime contractor for good cause was unable to retain the percentage of BEPD subcontractors throughout the duration of the contract period.

Bidder understands that it may be required to produce records to the CPO to verify the information provided.

Under penalty of perjury the person signing below: (1) warrants that he/she is authorized to execute this Affidavit on behalf of bidder, and (2) warrants that all certifications and statements contained in this Affidavit are true, accurate, and complete as of the date of execution.

Name of Bidder: _____
(Print or Type)

Signature of Authorized Officer: _____
(Signature)

Title of Signatory: _____
(Print or Type)

State of _____

County of _____

Signed and sworn (or affirmed) to before me on _____ (date) by
_____ (name/s of person/s making statement).

(Signature of Notary Public)

(Seal)

Bidder's Commitment To Encourage Diverse Management and Workforce

The Bid Incentive to Encourage Diverse Management and Workforce as described in Section 2-92-407 of the Municipal Code of Chicago ("MCC") is applicable to competitively bid contracts funded in whole by City funds. Bidder must submit this form with the bid if it desires to be considered for this bid incentive. Bidders that do not submit this page with their bid will not be eligible for this bid incentive. Attach additional sheets if necessary.

Note: The CPO may request additional information or documentation before determining to apply the preference.

1. Contract title: _____
Specification #: _____
2. The total percentage of Diverse Management (as defined in MCC 2-92-407 and the applicable bid solicitation) that Bidder commits to retain will be what percentage of the total Management?
☐ 10% to 20% -- 0.5% incentive
☐ Greater than 20% to 40% -- 2% incentive
☐ Greater than 40% -- 4% incentive
3. The total percentage of Diverse Workforce (as defined in MCC 2-92-407 and the applicable bid solicitation) that Bidder commits to retain will be what percentage of the total Workforce?
☐ 10% to 20% -- 2% incentive
☐ Greater than 20% to 40% -- 4% incentive
☐ Greater than 40% -- 6% incentive

Bidder may qualify for and apply both the diverse management and diverse workforce bid incentives.

Bidder understands that if it fails to retain the committed percentage of Diverse Management and/or Workforce, under MCC 2-92-407 it may be fined in an amount equal to three times the amount of the bid incentive allocated, unless the prime contractor can demonstrate that due to circumstances beyond the prime contractor's control, the prime contractor for good cause was unable to retain the percentage of Diverse Management and/or Workforce throughout the duration of the contract period.

Bidder understands that it may be required to produce records to the CPO to verify the information provided.

Signature page follows.

Signature Page For Bidder's Commitment To Encourage Diverse Management And Workforce

Under penalty of perjury the person signing below: (1) warrants that he/she is authorized to execute this Affidavit on behalf of bidder, and (2) warrants that all certifications and statements contained in this Affidavit are true, accurate, and complete as of the date of execution.

Name of Bidder: _____
(Print or Type)

Signature of Authorized Officer: _____
(Signature)

Title of Signatory: _____
(Print or Type)

State of _____

County of _____

Signed and sworn (or affirmed) to before me on _____ (date) by
_____ (name/s of person/s making statement).

(Signature of Notary Public)

(Seal)

EXHIBIT 11

Data Protection Requirements for Contractors, Vendors and Third-Parties

"Breach" means the acquisition, access, use, or disclosure of Protected Information that compromises the security or privacy of the Protected Information.

"Contractor" means an entity that receives or encounters Protected Information. Contractor includes, without limitation, entities that store Protected Information, or host applications that process Protected Information. The provisions of this Data Policy includes not only the entity that is a signatory to this Policy but all subcontractors, of whatever tier, of that entity; the signatory must inform and obtain the agreement of such subcontractors to the terms of this Data Policy.

"Protected Information" means all data provided by City to Contractor or encountered by Contractor in the performance of the services to the City, including, without limitation, all data sent to Contractor by City and/or stored by Contractor on its servers. Protected Information includes, but is not limited to, employment records, medical and health records, personal financial records (or other personally identifiable information), research data, and classified government information. To the extent there is any uncertainty as to whether any data constitutes Protected Information, the data in question shall be treated as Protected Information.

1. Information Security. Contractor agrees to the following:

- 1.1. General. Notwithstanding any other obligation of Contractor under this policy, Contractor agrees that it will not lose, alter, or delete, either intentionally or unintentionally, any Protected Information, and that it is responsible for the safe-keeping of all such information, except to the extent that the City directs the Contractor in writing to do so.
- 1.2. Access to Data. In addition to the records to be stored / maintained by Contractor, all records that are possessed by Contractor in its service to the City of Chicago to perform a governmental function are public records of the City of Chicago pursuant to the Illinois Freedom of Information Act (FOIA), unless the records are exempt under the Act. FOIA requires that the City produce records in a very short period of time. If the Contractor receives a request from the City to produce records, the Contractor shall do so within 72 hours of the notice.
- 1.3. Minimum Standard for Data at Rest and Data in Motion. Contractor must, at a minimum, comply, in its treatment of Protected Information, with National Institute of Standards and Technology (NIST) Special Publication 800-53 Moderate Level Control. Notwithstanding this requirement, Contractor acknowledges that it must fully comply with each additional obligation contained in this policy. If data is protected health information or electronic protected health information, as defined in the Health Insurance Portability and Accountability Act and Health Information Technology for Economic and Clinical Health Act (HIPAA/HITECH) and regulations implementing these Acts (see 45 CFR Parts 160 and 164), it must be secured in accordance with "Guidance Specifying the Technologies and Methodologies that Render Protected Health Information Unusable, Unreadable, or Indecipherable to Unauthorized Individuals," available on the United States Department of Health and Human Services (HHS) website <http://www.hhs.gov/ocr/privacy/hipaa/administrative/breachnotificationrule/index.html>, or at Volume 74 of the Federal Register, beginning at page 42742. That guidance from the HHS states that valid encryption processes for protected health information data at rest (e.g., protected health information resting on a server), must be consistent with the NIST Special Publication 800-111, Guide for Storage Encryption Technologies for End User Devices. Valid encryption processes for protected health information data in motion (e.g., transmitted through a network) are those which comply with NIST Special Publications 800-52, Guidelines for the Selection and Use of Transport Layer Security Implementation; 800-77, Guide to IPsec VPNs; or 800-113, Guide to SSL VPNs, or others which are Federal Information Processing Standards (FIPS) 140-2 validated.
- 1.4. Where Data is to be Stored. All data must be stored only on computer systems located in the continental United States.
- 1.5. Requirement to Maintain Security Program. Contractor acknowledges that the City has implemented an information security program to protect the City's information assets, which Program is available on the City website at http://www.cityofchicago.org/city/en/depts/doi/supp_info/is-and-it-policies.html ("City Program"). Contractor shall be responsible for establishing and maintaining an information security program that is designed to: (i) ensure the security and confidentiality of Protected Information; (ii) protect against any anticipated threats or hazards to the

security or integrity of Protected Information; (iii) protect against unauthorized access to or use of Protected Information; (iv) ensure the proper disposal of Protected Information; and, (v) ensure that all subcontractors of Contractor, if any, comply with all of the foregoing.

- 1.6. Undertaking by Contractor. Without limiting Contractor's obligation of confidentiality as further described herein, in no case shall the safeguards of Contractor's information security program be less stringent than the information security safeguards used by the City Program.
- 1.7. Right of Audit by the City of Chicago. The City of Chicago shall have the right to review Contractor's information security program prior to the commencement of Services and from time to time during the term of this Agreement. During the performance of the Services, from time to time and without notice, the City of Chicago, at its own expense, shall be entitled to perform, or to have performed, an on-site audit of Contractor's information security program. In lieu of an on-site audit, upon request by the City of Chicago, Contractor agrees to complete, within forty-five (45 days) of receipt, an audit questionnaire provided by the City of Chicago or the City of Chicago's designee regarding Contractor's information security program.
- 1.8. Audit by Contractor. No less than annually, Contractor shall conduct an independent third-party audit of its information security program and provide such audit findings to the City of Chicago, all at the Contractor's sole expense.
- 1.9. Audit Findings. Contractor shall implement at its sole expense any remedial actions as identified by the City as a result of the audit.
- 1.10. Demonstrate Compliance - PCI. No less than annually, as defined by the City of Chicago and where applicable, the Contractor agrees to demonstrate compliance with PCI DSS (Payment Card Industry Data Security Standard). Upon City's request, Contractor must be prepared to demonstrate compliance of any system or component used to process, store, or transmit cardholder data that is operated by the Contractor as part of its service. Similarly, upon City's request, Contractor must demonstrate the compliance of any third party it has sub-contracted as part of the service offering. As evidence of compliance, the Contractor shall provide upon request a current attestation of compliance signed by a PCI QSA (Qualified Security Assessor).
- 1.11. Demonstrate Compliance – HIPAA / HITECH. If the Protected Information includes protected health information or electronic protected health information covered under HIPAA/HITECH, Contractor must execute, and be governed by, the provisions in its contract with the City regarding HIPAA/HITECH, the regulations implementing those Acts, and the Business Associate Agreement in its contract with the City. As specified in 1.3, protected health information must be secured in accordance with the "Guidance Specifying the Technologies and Methodologies that Render Protected Health Information Unusable, Unreadable, or Indecipherable to Unauthorized Individuals."
- 1.12. Data Confidentiality. Contractor shall implement appropriate measures designed to ensure the confidentiality and security of Protected Information, protect against any anticipated hazards or threats to the integrity or security of such information, protect against unauthorized access or disclosure of information, and prevent any other action that could result in substantial harm to the City of Chicago or an individual identified with the data or information in Contractor's custody.
- 1.13. Compliance with All Laws and Regulations. Contractor agrees that it will comply with all laws and regulations.
- 1.14. Limitation of Access. Contractor will not knowingly permit any Contractor personnel to have access to any City of Chicago facility or any records or data of the City of Chicago if the person has been convicted of a crime in connection with (i) a dishonest act, breach of trust, or money laundering, or (ii) a felony. Contractor must, to the extent permitted by law, conduct a check of public records in all of the employee's states of residence and employment for at least the last five years in order to verify the above. Contractor shall assure that all contracts with subcontractors impose these obligations on the subcontractors and shall monitor the subcontractors' compliance with such obligations.

- 1.15. Data Re-Use. Contractor agrees that any and all data exchanged shall be used expressly and solely for the purposes enumerated in the Agreement. Data shall not be distributed, repurposed or shared across other applications, environments, or business units of Contractor. As required by Federal law, Contractor further agrees that no City of Chicago data of any kind shall be revealed, transmitted, exchanged or otherwise passed to other Contractors or interested parties except on a case-by-case basis as specifically agreed to in writing by an officer of the City of Chicago with designated data, security, or signature authority.
- 1.16. Safekeeping and Security. Contractor will be responsible for safekeeping all keys, access codes, passwords, combinations, access cards, personal identification numbers and similar security codes and identifiers issued to Contractor's employees, agents or subcontractors. Contractor agrees to require its employees to promptly report a lost or stolen access device or information to their primary business contact and to the City of Chicago Information Security Office.
- 1.17. Mandatory Disclosure of Protected Information. If Contractor is compelled by law or regulation to disclose any Protected Information, the Contractor will provide to the City of Chicago with prompt written notice so that the City of Chicago may seek an appropriate protective order or other remedy. If a remedy acceptable to the City of Chicago is not obtained by the date that the Contractor must comply with the request, the Contractor will furnish only that portion of the Protected Information that it is legally required to furnish, and the Contractor shall require any recipient of the Protected Information to exercise commercially reasonable efforts to keep the Protected Information confidential.
- 1.18. Data Breach. Contractor agrees to comply with all laws and regulations relating to data breach, including without limitation, the Illinois Personal Information Protection Act and other applicable Illinois breach disclosure laws and regulations. Data breaches of protected health information and electronic protected health information shall be governed by the provisions regarding HIPAA/HITECH, and the regulations implementing those Acts, in the Contractor's contract with the City, specifically the Business Associate Agreement in such contract. Contractor will immediately notify the City if security of any Protected Information has been breached, and will provide information as to that breach in such detail as requested by the City. Contractor will, if requested by the City, notify any affected individuals of such breach at the sole cost of the Contractor.
- 1.19. Data Sanitization and Safe Disposal. All physical and electronic records must be retained per federal, state and local laws and regulations, including the Local Records Act. Where disposal is approved, the Contractor agrees that prior to disposal or reuse of all magnetic media (e.g. hard disk, floppy disk, removable media, etc.) which may have contained City of Chicago data shall be submitted to a data sanitization process which meets or exceeds DoD 5220.28-M 3-pass specifications. Certification of the completion of data sanitization shall be provided to the City of Chicago within 10 days of completion. Acceptance of Certification of Data Sanitization by the Information Security Office of the City of Chicago is required prior to media reuse or disposal. All other materials which contain City of Chicago data shall be physically destroyed and shredded in accordance to NIST Special Publication 800-88, Guidelines for Media Sanitization, specifications.
- 1.20. End of Agreement Data Handling. The Contractor agrees that upon termination of this Agreement it shall return all data to the City of Chicago in a useable electronic form, and erase, destroy, and render unreadable all data in its entirety in accordance to the prior stated Data Sanitization and Safe Disposal provisions. Data must be rendered in a manner that prevents its physical reconstruction through the use of commonly available file restoration utilities. Certification in writing that these actions have been completed must be provided within 30 days of the termination of this Agreement or within 7 days of a request of an agent of the City of Chicago, whichever shall come first.

EXHIBIT 12: SEXUAL HARASSMENT POLICY AFFIDAVIT (SECTION 2-92-612)

The policy prohibiting sexual harassment as described in Section 2-92-612 of the Municipal Code of Chicago ("MCC") is applicable to contracts paid from funds belonging to or administered by the City.

Contract title: Third Party Liability Claims Administrator Services
Specification #: 712589

In accordance with requirements set forth in Section 2-92-612 of the MCC, Contractor hereby attests that Contractor has a written policy prohibiting sexual harassment that includes, at a minimum, the following information:

- (i) the illegality of sexual harassment;
- (ii) the definition of sexual harassment; and
- (iii) the legal recourse available for victims of sexual harassment.

Contractor understands that it may be required to produce records to the CPO to verify the information provided.

Under penalty of perjury the person signing below: (1) warrants that he/she is authorized to execute this Affidavit on behalf of Contractor, and (2) warrants that all certifications and statements contained in this Affidavit are true, accurate, and complete as of the date of execution.

Name of Contractor: _____
(Print or Type)

Signature of Authorized Officer: _____
(Signature)

Title of Signatory: _____
(Print or Type)

State of _____

County of _____

Signed and sworn (or affirmed) to before me on _____ (date) by

_____ (name/s of person/s making statement).

(Signature of Notary Public)

(Seal)