



CITY OF CHICAGO



DEPARTMENT OF FINANCE



Dear Respondent

In 2022, the Risk Management division of the Department of Finance is undertaking a different approach towards the management of City of Chicago Insurance Programs. The attached Request for Proposal ("RFP") describes the direction and specific requirements towards this new approach.

As a general overview of how the RFP is structured in terms of pricing, and how the pricing is structured in terms of contract award, the pricing is set out in three sections (Group A; Group B; and Group C). The concept is to allow for the potential of awarding more than one contract (based on the offer that represents the best value to the City in accordance with the evaluation criteria described in this RFP). Refer to the RFP's Cost Proposal structure ([Exhibit 2 Cost Proposal](#) per the separate Excel file) as well as Exhibit 2 in [this](#) document which describes in more detail how the Excel file should be completed.

Group A is for "Program Insurance Brokerage Services" Within Group A are five main "Program" coverages: (1) Airport Property; (2) Airport Liability & Additional Coverages; (3) City Property; (4) City Excess Liability; and (5) Miscellaneous Programs. Each of the first four main Program Coverages (1), (2), (3), or (4), may be awarded a separate contract. The award of contracts with respect to the Programs listed under, (5) Miscellaneous Program Coverages, is described below.

Within (5) Miscellaneous Program Coverages, are 11 separate Program Coverages: (5.a) Fine Arts; (5.b) Special Events; (5.c) Fire Department Helicopters; (5.d) Fire Department Boats; (5.e) Police Department Helicopters; (5.f) Crime insurance; (5.g) Cyber Liability; (5.h) Excess Medical Professional Liability; (5.i) Active Assailant; (5.j) Public Official Bonds; and (5.k) Fire Department Bonds insurance. Each of the 11 Miscellaneous Program Coverages (5.a through 5.k) may also be individually awarded a separate contract.

Group B is for "Claims Consulting Services" The Respondent may submit a Proposal for Group B only. The City may award a separate contract for Group B services only, pursuant to this RFP.

Group C is for "Loss Control and Safety Services" The Respondent may submit a Proposal for Group C only. The City may award a separate contract for Group C services only, pursuant to this RFP.

Interrogatories Further, this RFP contains a separate "interrogatory" section of questions. These questions (labelled as "Risk Management Interrogatories") must be addressed and included as a Proposal submittal requirement.

Additionally, certain "evaluation criteria" shall be common to all Proposals by which all Proposals shall be evaluated and scored. Each criterion shall be scored on a numeric basis (0-to-5 points).

Although all evaluation criteria are important, some criteria may be deemed to be of more significance and in that regard have been assigned a "percentage weight" (relative to 100%). However, submittals related to the unweighted criteria will be evaluated and the City will use the criteria to evaluate whether it is in the City's best interests to award a contract to Respondent.

As background information, the same or similar type of insurance services and insurance coverages contemplated in accordance with this RFP, are currently being provided to the City through two existing contracts¹. Both contracts provide different insurance coverage types.

This RFP is being solicited now in accordance with general operating procedures which require the City to periodically issue a new solicitation for expiring contracts; additionally, the solicitation serves to provide a new opportunity for insurance brokerage firms to compete for City business.

Overall, through this RFP, the City hopes to realize a diverse approach to the way of doing business in terms of meeting its critical, complex, and challenging insurance needs, and encourages all firms – large and small – to compete for the next generation of contracts.

Thank you!

Reshma Soni
City Comptroller

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¹ *Arthur J. Gallagher Risk Management Services, Inc.*, PO # 27019; and *USI Insurance Services LLC*, PO # 26939; both awarded in August 2012.

CITY OF CHICAGO DEPARTMENT OF FINANCE

REQUEST FOR PROPOSAL (“RFP”)

for:

Insurance Brokerage and Consulting Services

Specification Number: 1230710

INVITATION

In accordance with the Municipal Code of Chicago (“MCC”) section 2-32-092, the City Comptroller, through the Department of Finance (“DOF”), is hereby issuing a Request For Proposal (“RFP”) for **Insurance Brokerage and Consulting Services**.

This RFP is open to the public and Proposal responses are welcomed from any and all insurance brokerage companies in this market space.

Obtaining RFP Documents from URL

The announcement of this RFP shall be advertised in the *Chicago Tribune* newspaper. (Also see Table 1 – RFP Timeline.) Also, this RFP and related files shall be posted for downloading from the Department of Finance website at the following URL:

<http://www.cityofchicago.org/city/en/depts/fin.html>

Scroll down below the dashboard tiles to: “Most Recent News” and click on it to unfold a list of dates and titles. Click on the title: “Insurance Brokerage and Consulting Services”.

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Table 1 – RFP Timeline (dates subject to change)

Key Activity	Estimated Target Date
Finance Posts RFP on Finance website	Tuesday, March 1, 2022
Pulaski Day Holiday	Monday, March 7, 2022
Respondents Submit Questions* by	Friday, March 11, 2022
City Posts Answers Questions by	Monday, March 21, 2022
Proposals Due on	Friday, April 15, 2022
Phase I Preliminary Review of Proposals	Tuesday, April 19, 2022
Phase II Preliminary Selection of Respondents	Friday, April 29, 2022
Phase III Oral Presentations Invitation Sent	Monday, May 9, 2022
Award Decision Completed by	Tuesday, May 24, 2022
Memorial Day Holiday	Monday, May 30, 2022
Contract Draft Sent to Contractor for Execution	Monday, June 6, 2022
Executed Contract Award Process	Monday, June 13, 2022
Juneteenth Holiday	Monday, June 20, 2022
Contract Award Start Date	Monday, June 27, 2022

***Questions and/or Requests for Clarification**

Any question or any request for clarification relating to the RFP content, must be made in writing and sent to steven.sakai@cityofchicago.org with copy to teri.davis@cityofchicago.org in the format as exemplified below, using an Excel spreadsheet.

Table 2 - Question Submittal format

ITEM	QUESTION or REQUEST for CLARIFICATION	RFP page and section being referenced
1		
2		

The City will provide its response to all questions and requests for clarifications and post the response at the URL above, as an Addendum to the RFP.

Any subsequent round of questions or requests for clarification, if any, shall be subject to a cut-off date-and-time which shall be posted at the URL.

RFP Addendum

The City reserves the right, after advertisement of the RFP, to refine the Scope of Services, with appropriate notice. Any change(s) which may be required to the original version of the RFP *after* the original version had already been initially advertised and posted, including questions and answers, shall be made in the form of an “Addendum” before the Proposal due date. All Addenda shall be sequentially numbered and be publicly available for download from the above URL.

Further, if, after receipt of Proposals the City wishes to make refinements to the Scope of Services, it may, depending upon the circumstances, provide the refinement revisions to all Respondents and invite revised Proposals from the Respondents based upon the revised Scope of Services.

Proposal Submittal Requirements

Respondents must structure their Proposal submittal in accordance with the instructions and contents as set out below.

A table of contents or tabs with the should be utilized to organize the Proposal response containing the following submittal requirements.

1. Executive Summary Cover Letter

The Respondent must provide an executive summary indicating its understanding, experience, competence, and commitment to providing insurance brokerage services for the City of Chicago and the Risk Management division's different approach towards the management of City of Chicago Insurance Programs.

The executive summary should be signed by an authorized representative of the Respondent and be addressed to:

Reshma Soni
City Comptroller
City of Chicago Department of Finance
121 N. LaSalle Street – Suite 700
Chicago IL 60602-1246

2. Statement of Work (SOW)

The Respondent must provide a detailed statement of work, describing its proposed solution addressing each of the requirements set out in Exhibit 1 Scope of Services.

3. Cost Proposal

The Respondent must provide its proposed pricing in accordance with Exhibit 2 Cost Proposal.

4. Professional Qualifications and Specialized Experience of Respondent, Respondent Team Members, and Key Personnel

A) Corporate Mission. Describe the general overall qualifications of the Respondent in terms of its corporate/parental mission. Further describe how that larger/corporate structure shall provide support with respect to its sub-divisional members, if applicable. Identify which division(s) of the Respondent, if applicable, shall be the party(s) assigned to perform and provide insurance brokerage services as specified in Exhibit 1 Scope of Services.

B) References. Provide no less than three references (from past and present clients – three total) whom the Respondent has provided or is providing insurance brokerage services as specified in Exhibit 1 Scope of Services, preferably involving clients similar in size and structure to the City.

- C) Primary Team and Key Personnel. Separately, identify the “key personnel,” by name, of the specific person(s) dedicated to oversee the insurance brokerage services, as well as perform the requirements set out in the Exhibit 1 Scope of Services – in other words, identify the Respondent’s key personnel (“**A-Team**” roster) by name – include their years of insurance brokerage experience and their work-experience resume. . (See (D) below.)

Identify Secondary/Working Team Personnel. Identify any subcontractors, including MBE and WBE firms where applicable dedicated to provide ancillary or support insurance brokerage services. Describe the subcontractor firm’s insurance brokerage services experiences in terms of how that level of experience(s) – at a corporate and individual level – compares to the scale and complexities involved with the various City insurance Program requirements.

Further, identify all subcontractor key personnel, by name, of specific personnel dedicated to perform Exhibit 1 Scope of Services on a “Direct Participation” basis (referring to the MBE/WBE Special Conditions’ definition of “Direct Participation”).

- D) Experience and Qualifications. Provide the years of insurance brokerage services experience and detailed response describing the qualifications and experience of the individuals composing the “A-Team” of key personnel, with respect to the following:

- i) Identify the designated Project Manager (the key person responsible for the day-to-day oversight and long-term management of the Contract.
- ii) Indicate the title and qualifications of each support staff reporting to the Project Manager, and include the resumes of each such key person identified.
 - a. In addition to the resume, describe the level of experience in performing other insurance-related operations similar to the City’s Program requirements, if applicable.
 - b. Describe each of their roles with respect to the City’s insurance brokerage services for the term of the contract (pursuant to this RFP).
 - c. Provide a “Sample” stewardship report(s) for public or governmental entities (confidential information redacted).
- iii) Business License / Authority to do Business in Illinois
 - a. Respondent must provide copies of appropriate licenses or certifications required of 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, as applicable, including evidence that Respondent is authorized by the Secretary of State to do business in the State of Illinois.

Corporate good standing in Illinois will be required for award of any contract. Provide copies with the Proposal submission as applicable.

- b. 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 its Proposal.

Respondent should so indicate and provide evidence of good standing for its state of organization, and primary state of operation, if different.

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.

- c. If required by law, Respondent is required to have an Illinois Business License. See the State of Illinois, Department of Business Services website for additional information: <http://www.cyberdriveillinois.com/>.

5. Risk Management Interrogatories (Exhibit 3)

The Respondent must provide detailed written responses to the questions and requests for information set out in Exhibit 3.

6. Project Implementation Plan

The Respondent must describe the overall implementation plan and timeline considered necessary to manage the scale of involvement and level of detail as specified in Exhibit 1 Scope of Services beginning from contract award (for applicable Programs being bid).

(Kickoff Meeting. A more detailed work plan will be developed and agreed to between the Contractor and City management subsequent to contract award during a “kickoff meeting”. Generally, the kickoff meeting will help both parties identify individual personnel roles and contact information; establish data security protocols and means to access City data; provide for in-person access at City of Chicago work sites, if necessary; agree upon meeting scheduling protocol; etc.)

7. 30% MBE and 15% WBE Compliance Plan

It is the policy of the City of Chicago that local businesses certified as an MBE (Minority-Owned Business Enterprise) or WBE (Women-owned Business Enterprise), in accordance with Section 2-92-420 of the MCC, will have full and fair opportunities to participate fully in the performance of City contracts. (See the “Special Conditions Regarding Minority Business Enterprise (MBE) and Women Business Enterprise (WBE) Commitment as set out in MBE/WBE Special Conditions” section of the PSA.)

It is also the policy of the city that, if an MBE or WBE firm is both an MBE and a WBE firm, then that firm must be recognized as either an MBE or a WBE – not both.

Respondents must submit its Proposal describing its plan to subcontract a minimum of 30% MBE and 15% WBE with MBE and WBE firms on a “Direct Participation” basis. The MBE/WBE firms must be certified in the “area of specialty” or in the “field of work” directly relating to the nature of work described in Exhibit 1 Scope of Services and the manner in which such firms shall be participating as subcontractors.

Finding MBEs and WBEs

Notwithstanding any resources the Respondent may already have access to, to further help the Respondent find MBEs and WBEs to perform meaningful City insurance-related requirements as subcontractors to the Respondent under the contract with the City, the Respondent can use the following two City resources available:

- I. Respondent can search the Department of Procurement Services’ online “Certification and Compliance” (“C2”) directory, found at <https://chicago.mwdbe.com/>; then click on the blue “Chicago’s BEPD/MBE/VBE/WBE Certified Directory”; then search for “MBEs” and “WBEs” by unchecking the BEPD and VBE boxes (BEPDs and VBEs are not required because this Contract requires MBE and WBE compliance only).

In the “Search by Certification Type” section of C2, and with only the MBE and WBE boxes checked, then, in the “Search by Business Description” section of C2 type in a keyword, using a keyword applicable to describing the type of work of a direct participation nature to the type of worker required to perform City insurance-related requirements audit (for example, use keyword searches such as “insurance,” “risk,” “broker,” etc., for MBEs and WBEs certified in the field of work that maps directly to the type of worker applicable to and necessary to perform work necessary to provide the City’s insurance-related requirements. Then complete the “I am not a robot” filter; then click Enter. The resulting screen lists the pool of MBEs and WBEs certified by the City of Chicago and/or Cook County, and whose MBE/WBE Certification description contains the keyword.

- II. Respondents can request assistance from any of the agencies listed in the MBE/WBE Special Conditions’ list of Assist Agencies, and ask them to help Respondent find MBE/WBE firms who can be a subcontractor performing work directly related to This RFP and Exhibit 1 Scope of Services.

The Respondent must determine if a selected MBE and WBE can provide meaningful City insurance brokerage services-related requirements work as the Respondent’s subcontractor.

Further: (i) the “direct” nature of the work the MBE/WBE shall perform under the contract must align with the “area of specialty” that the MBE/WBE has been certified by the City of Chicago and/or Cook County to perform; (ii) the MBE/WBE firm must provide a “Letter of Certification” from the Department of Procurement Services or Cook County indicating the currency of the MBE/WBE firm’s certification status; i.e., the Letter of Certification must indicate that the certification status is current and that the Certification dates are current. If the MBE/WBE’ firm’s Letter of Certification indicates an expired certification date, then a “courtesy letter” from the City of Chicago or Cook County must be provided indicating a provisional extension of the MBE/WBE’s certification status specifically for this specific RFP only, or, the MBE/WBE firm may not meet the MBE/WBE Compliance requirements.

After the Respondent identifies the MBE and/or WBE firm or firms as subcontractors,, along with a description of the nature of work the MBE/WBE firm shall perform, a Schedule C-1 form for each MBE/WBE firm and a Schedule D-1 form must be provided.

The percentage goals proposed with the named MBE and/or WBE firm or firms shall be a commitment by the Contractor to expend those percentages based on the dollars the City pays the Contractor, during the term of the executed contract.

In the event of any conflict between the terms in this Section 6 and the MBE/WBE requirements as stated in the Special Conditions Regarding Minority Business Enterprise (MBE) and Women Business Enterprise (WBE) Commitment as set out in MBE/WBE Special Conditions section of the PSA, the PSA version shall apply, unless as may otherwise be amended by the Chief Procurement Officer.

After award of contract, the Contractor shall be subject to **Executive Order 2021-2**; as attached to the PSA.

8. Economic Disclosure Statement and Affidavit (“EDS”) and Appendix A, B, and C

Respondent shall be required to complete an Economic Disclosure Statement and Affidavit. See Online City of Chicago EDS Instructions and EDS Acknowledgement, which can be accessed at:

https://www.chicago.gov/city/en/depts/dps/provdrs/comp/svcs/economic_disclosurestatementseeds.html

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 the Certificate of Filing printed from system.

Subcontractors may be required, at the City’s discretion, to provide an EDS during the evaluation process.

9. Insurance (Certificates of Insurance Required Prior to Contract Award)

For purposes of the RFP submittal requirements, the Respondent should include a statement that they shall comply with the City’s insurance requirements.

Prior to contract award, however, the selected Respondent will be required to submit evidence (e.g., certificates of insurance) in the amounts specified in the attached Exhibit 5.

10. 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 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 qualification 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.

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. 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.

SUBMISSION of PROPOSAL

Word-Searchable Format of Original File Submissions

Proposals and all executed related forms and response materials must be provided in word-searchable formats and be submitted all on one thumb-drive. The thumb-drive must be labeled with the Respondent's name and the word, "ORIGINAL".

Proposal Delivery Information

Respondents must submit their response on one word-searchable thumb drive.

Thumb drive must be labeled with the Respondent's name and be delivered to the front reception desks located at:

**City Comptroller
City Hall
Department of Finance – 7th Floor
Attention Steve Sakai
121 N. LaSalle Street
Chicago IL 60602-1246**

In the event there is no receptionist at the time of delivery, email steven.sakai@cityofchicago.org with copy to teri.davis@cityofchicago.org to arrange for delivery.

Proposals are currently due by Friday, April 15, 2022 by **4:00 p.m.**, unless changed pursuant to an Addendum posted on the above URL.

Proposals that are not received by the date and time as posted may not be accepted. If any Proposal is deemed to be "not accepted" the Respondent shall be notified and the thumb drives shall be returned unopened to the submitting entity, or be destroyed.

In the event Proposal paper hardcopies or missing data are requested by the Comptroller or her authorized representative from the Respondent, such hardcopies or data shall be provided as requested in writing via email.

PROPOSAL EVALUATION PROCESS

On the Proposal due date, all Proposals shall be distributed, in confidence, to a select group made up of various subject matter experts – the Evaluation Committee ("EC"). Each EC member will critically review each Respondent's Proposal to determine overall responsibility of the Respondent and responsiveness and completeness of the Proposal with respect to the components outlined in the RFP, and then score each Proposal relative to certain "evaluation criteria". Each criterion shall be scored based on a scale of 0-5 points, and on a weighted scale of 5-to-100 percent, a percentage of weight of importance assigned to each criterion), where highest scores equate to most likely to be selected for award.

Generally, the EC will conduct the evaluation of each Proposal relative to the Evaluation Criteria and other such requirements set forth in the RFP. The evaluation process is conducted in three progressive phases:

Phase I. During Phase I, each EC member reviews each Proposal in detail in an effort to determine the sufficiency of each Proposal's general degree of responsiveness, and adequacy for the Respondent to move onto a further "deep-dive" analysis. Respondent's submission may be disqualified from further consideration if it is considered to be non-responsive to the requirements set out in the RFP.

Phase II. After Phase I, the EC convenes as a group to vote on which Respondents are considered to be sufficiently responsive to undergo a "deep-dive" analysis and a scoring of based on the Evaluation Criteria factors (listed below to follow). Phase II involves the EC to progress through an iterative process of its analysis of the Proposal details and other such information needed to support the Respondent's scores relative to the Evaluation Criteria. Based on the outcome of scores determined in Phase II, the EC shall determine which Respondents are recommended to proceed on to Phase III and which Respondents failed to achieve a sufficient score for further consideration.

Phase III. Upon invitation only, Respondents who have been qualified in Phase II for further consideration are requested to participate in "Oral Presentations".

Oral Presentations

Oral Presentations involves a face-to-face or virtual meeting of key Respondent staff with key City personnel staff, in an effort for the EC to further assess the Respondent's capabilities relative to the Evaluation Criteria. Part of this assessment is achieved by the Respondent providing clarification concerning its response to the RFP.

Phase III may include follow-up discussions or support documentation requested by the EC, in order to facilitate a better understanding of the Respondent's performance capabilities or other such matters concerning an evaluation criterion.

Selection of Respondents

Phase III concludes when the EC submits its selection recommendation summary to the Comptroller. The EC's selection recommendation summarizes the EC's findings of each Respondent and describes the EC's basis for recommending the disposition of each Respondent – either a recommendation for a Respondent to be considered for award of a contract for one or more various Insurance Programs, or for a Respondent to not be considered for any of the Insurance Programs.

Contract Negotiations

If the Comptroller concurs with the EC's recommendations for one or more Respondents to be awarded one or more Insurance Programs and for other Respondents to not be considered otherwise, the Comptroller will notify each Respondent accordingly.

Contract Award

The City of Chicago intends to award one contract for each category of services based on the offer that represents the best value to the City in accordance with the selection criteria.

The Respondent(s) selected for contract award will be emailed a Word.docx version of the contract in order for the Respondent to print and execute as provided.

Upon execution of the contract as agreed to by both parties, the executed contract shall then be entered into the City's "FMPS system". (FMPS is the City's system that manages contracts and payments to vendors.) A downloadable PDF image of the executed contract shall then be posted on the City's website indicating the contract's effective dates, terms, and conditions. Any amendments awarded subsequent to the original contract would also be posted on the City's website in association with the original contract.

EVALUATION CRITERIA

The EC shall evaluate each Respondent's Proposal based on the following evaluation criteria:

1. Professional and Technical Competence 40%

a) Ability of the Respondent's firm to provide the Services described in the RFP, including capacity to perform the Scope of Services described in Exhibit 1 of this RFP.

In addition, Respondent should address if (and how) they are able to provide the City access to a Risk Management Information System ("RMIS") in order for City staff to, at a minimum, maintain loss-data; manage Construction Occupancy Protection Exposure ("COPE") data; and provide other functionality as may be requested by the City.

b) Professional Qualifications and Specialized Experience of the Respondent's proposed staff 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 Staff Members) and Local Availability of Key Personnel committed to the City. Track record of individual key personnel with large municipalities located in the United States of America.

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 EC may solicit from current and/or previous clients including the City, other government agencies, or any available sources, relevant information concerning the Respondent's record of performance.

e) Demonstrated competencies pursuant to Oral Presentations.

2. Quality, Comprehensiveness, and Adequacy of the Proposed Implementation and Management Plan 20%

The EC will consider the quality, comprehensiveness, and adequacy of the proposed implementation and management plan including the staffing plan, dedicated resources, local availability, commitment of personnel who will manage and oversee the City account.

The implementation plan concerning the selection, initial onboarding, and sustained engagement commitment with the MBE and WBE firms selected for the contract, must be articulated. Also see item 4, below.

The EC 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. Cost Proposal/Schedule of Compensation 15%

The City will consider the competitive pricing offered as set out in Exhibit 2 Cost Proposal per the separate Excel file.

4. MBE/WBE Compliance Plan 0%

In accordance with the MBE/WBE Special Conditions set out in the PSA, the EC will evaluate the level, relevancy, and quality of direct participation by MBE/WBE firms certified by the City of Chicago's Department of Procurement Services, or Cook County. Non-responsiveness to this requirement may be cause for the prospective Respondent to be disqualified. For purposes of your response to this RFP, the minimum Minority Business Enterprise (MBE) direct participation goal is 30% and the minimum Women Business Enterprise (WBE) direct participation goal is 15% of the total contract value.

Note: In the event a firm is certified as being both an MBE and a WBE firm, and is utilized as a subcontractor, they must be designated as either an MBE or a WBE but not both.

Further, if an MBE firm or WBE firm or a firm that is certified as being both MBE and WBE elects to bid on this RFP as the prime Contractor, then they would meet the MBE or WBE compliance goals for either the MBE goal or WBE goal, but not both, provided they do not subcontract out more than 50% of the work with a non-certified firm, and provided that they are certified in the area of insurance services, unless otherwise provided for in the PSA.

5. Legal Actions 5%

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. Degree to which the Respondent Accepts the City's Terms and Conditions 15%

Notwithstanding all other terms and conditions applicable to this RFP, the Respondent must indicate in its Proposal the degree to which it accepts the City's standard boilerplate terms and conditions as set out in the City's Sample Professional Services Contract Terms and Conditions (Exhibit 4). (These are the City's current applicable terms and conditions (subject to change) that would be set out in the final executable version of the agreement/contract between the City and Contractor, pursuant to this RFP process.

In that regard, a Respondent that takes material exceptions to the City's terms and conditions as set out in the City's Sample Professional Services Contract Terms and Conditions (Exhibit 4) may be found to be non-responsive and its Proposal may be rejected.

7. Conflict of Interest 5%

The EC will consider any information regarding the Respondent, including information contained in Respondent's Proposal, that may indicate any conflicts (or potential conflicts) of interest which might compromise the Respondent's ability to satisfactorily or ethically perform the proposed Services or which may undermine the integrity of the competitive procurement process.

These conflicts (or potential conflicts) may include:

- Contingency Fees. Notwithstanding any laws applicable to a contingency fee contract between the Contractor or its subcontractor and a third-party entity, if, as part of the Contractor's obligation to provide Services under the Contract awarded pursuant to this RFP, the Contractor is required to make a recommendation to the City for the City to obtain insurance coverages from a third-party firm, and if that recommendation is made for an firm with whom the Contractor has a financial interest, or from whom the Contractor or its subcontractor may otherwise be compensated, then the Contractor must immediately report such relationship, to the authorized representative of the Department of Finance.

For example: if Contractor, as part of its Service requirements under contract with the City has a spouse or partner who works for an insurance company, the Respondent must immediately disclose such relationship and must further advise the City of such potential conflict of interest if the Contractor were to recommend the City to use that insurance company, or broker, or wholesaler, or third-party administrator as may be applicable.

- Incentivized Compensation. The Contractor or its subcontractor may not act as an agent for any specific insurance company that would serve to financially reward the Contractor or its subcontractor, or the Contractor's or subcontractor' spouse or partner, in exchange for placing City business with that insurance company or its affiliate agencies.
- If any Respondent has provided any services for the City involving the researching, consulting, advising, drafting, or preparing of portions of this RFP prior to award of contract, such Respondent may be disqualified from further consideration.

8. 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.

9. Compliance with All Laws, Ordinances, and Statutes

The EC will consider Respondent's compliance with all laws, ordinances, and statutes governing the contract.

10. Insurance

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

Note: Criteria numbers 4, 8, 9, and 10 do not indicate a percentage of weight assigned to them as do criteria 1,2,3,5,6, and 7, however, submittals related to the unweighted criteria will be evaluated and the City will use the criteria to evaluate whether it is in the City's best interests to award a contract to Respondent.

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EXHIBIT 1
SCOPE OF SERVICES

The selected Respondent(s), as “Contractor” shall be required to provide the City with insurance broker and consulting services consistent with the following categories and descriptions outlined in sections A, B, and C below, and as relates to Exhibit 1 A – Summary of Insurance Programs that follows.

Group A. Insurance Brokerage Services

The Contractor must provide insurance brokerage services which shall include the following:

1. Review and analyze City operations and exposures and make appropriate coverage recommendations to ensure optimal protection of the City.

Provide alternative coverage options presented annually to the City for consideration.

2. Develop a work plan, in collaboration with the City, to establish activities, deliverables, staffing and other matters pertinent to the delivery of the requested Services.

3. Prepare strategic analysis prior to entering the insurance market at each renewal. This analysis shall include the following and be made available to the City:

- a) historical analysis of claim trends
- b) bench marketing analysis from similar risk exposures
- c) retention analysis
- d) exposure analysis
- e) recommendations to the City based on pricing including retentions, attaching points, and limits
- f) expectations
- g) service trends
- h) market conditions
- i) a plan to gain interest and competition in the City’s insurance program
- j) identify markets most likely to provide the insurance and services desired including advantageous, emerging, and established markets based on cost, coverage, etc. and
- k) include recommendations on program design.

4. Prepare marketing submissions to underwriters. This includes applications and insurance policy specifications for review and approval by the City. The City-approved applications and specifications must then be submitted to underwriters.

5. Design, market, and implement the broadest coverage at the most reasonable cost for the risk exposures presented.

Provide a summary of requested coverage as listed in Exhibit 1-A.

Market to insurers with no less than a rating of A-VII by Best Rating Guide, unless prior written approval is granted by the City.

6. Receive and analyze underwriter's quotations, at least thirty (30) business days prior to policy expiration, to determine whether it adheres to the insurance policy specifications and whether the premium quoted is fair and reasonable within the marketplace.

Negotiate any refinements to terms and/or conditions in order to obtain the most beneficial and cost-effective coverage available.

7. Include the City in all aspects of the marketing process and facilitate in person or virtual meetings with prospective insurance carriers.
8. Submit an insurance proposal to the City within twenty (20) business days prior to expiration. Provide a comparative analysis that includes the following:

- a) variances in cost, coverage, and exposure data
- b) comparison of insurance specifications vs. insurance policies, including, but not limited to, the following:
 - o all endorsements and coverage exceptions to be included in the issued policies.
 - o a copy of the proposed policy forms and endorsement must be included.
- c) the broker, wholesaler, and carrier compensation contracts/arrangements
- d) history of the carrier's(s') experience with public sector business
- e) Maximum Possible Loss and Maximum Probable Loss summary
- f) premium breakdown including premium quotations including excess and surplus line taxes and cost analysis by line of coverage
- g) copies of the declination letters, and
- h) recommend and place coverage upon the City's approval.

9. Submit insurance binders to the City within five (5) business days prior to insurance expiration. Each insurance binder must be reviewed for appropriate terms, conditions, limits, deductibles, premiums, and carrier participation.

All insurance binders must be issued by the insurance company, not the Contractor.

10. Submit all original policies and endorsements to the City within sixty (60) days of the effective dates, including surplus lines and stamping (if applicable).

A written report outlining errors, discrepancies, and any other inconsistencies in the final proposal and/or binders must be submitted for each policy.

Any deviation from this deadline must be pre-approved by the City and must include a written statement explaining the reason for the delay and a revised timetable for receipt of the outstanding policies.

All policy changes and/or corrections must be processed within thirty (30) days.

11. Manage all claims and related matters that includes the following:
 - a) Receive, review, coordinate, process, and monitor claims and law suits related to the insurance procured (including those which occurred prior to this RFP);
 - b) transmit all supporting documents to insurers;
 - c) respond to insurance carriers' questions;
 - d) participate in claim reviews as requested; and

- e) assist the City's Risk Management Office and Law Department in settlement and payment of all claims, including recommendations when necessary.

NOTE: Claim correspondence for the City's excess liability policy can average about 50 pieces of correspondence per week, and require additional correspondence in the event of a particular trial.

- 12. Assist City in handling large, complex, or catastrophic losses at no additional cost.
- 13. Establish claim reporting procedures including contact personnel names, emails, and phone numbers.

Identify a claim coordinator and provide appropriate forms and instructions for form-use.

- 14. Submit quarterly reports (unless as may be requested by the City) indicating the number of claims open, claims closed, and total incurred values.

Prepare and submit other written reports to the City, as requested.

- 15. Perform annual safety loss control, and fire engineering services, and inspections of City owned property when requested or required by the insurance company.

- 16. Issue certificates of insurance within 24 hours of request, as needed.

- 17. Notify and obtain prior approval by the City of any change to the account service team.

The City reserves the right to require the Contractor to change any or all members of the services team at any time.

The Contractor must replace such identified team member(s) with individual(s) acceptable to the City within 30 days of request from the City, unless as may otherwise be agreed to by the City.

- 18. From time to time, the City may require Respondent to place additional coverage when requested by the City, with full disclosure of compensation to all parties involved. Separate compensation will be negotiated when requested. Such additional coverages would be incorporated into the contract in accordance with the Additional Services provision as applicable.

Group B. Claims Consulting Services

The Contractor must assist the city and project team with resolving claims issues for all lines of coverage in exhibit 1-A as applicable Claims services may be included with any one or more programs. Claims Consulting services may include but not be limited to the following:

Verifying claims reporting requirements, expenses, settlements and loss costs and applicable documentation.

Group C. Loss Control and Safety Services

The Contractor must assist the City and project team with developing a safety and loss control program for all lines of coverage in Exhibit 1-A as applicable. Loss Control and Safety Services shall be included with any one or more Programs and/or Coverages awarded in a contract.

Loss Control and Safety Services will include, but not be limited to, the following types of services provided at an hourly rate, with a maximum Not-to-Exceed Annual limit:

- a) development of program safety standards
- b) negotiating carrier provided safety service
- c) onsite project safety inspections
- d) incident/accident investigations
- e) monitoring of all contractors/subcontractors for compliance with their responsibilities
- f) providing reports of findings
- g) maintaining a register of site safety violations, concerns, or corrections
- h) providing a post-project lessons-learned report
- i) participating in quarterly insurance "Stewardship Meetings" to report on all safety activities if requested by the City
- j) participating in insurance carrier safety inspections/reviews of project sites, including:
 - a. advise City on any issues
 - b. advise concerning what course of action should be taken to correct any issues
 - c. meetings with project team, contractors, etc., as may be required.
- k) coordinating an effective claim reporting policy and provide procedures designed to:
 - a. minimize the cost of loss
 - b. emphasize light duty
 - c. describe return to work ("RTW") programs.

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EXHIBIT 1-A
SUMMARY OF INSURANCE COVERAGE PROGRAMS

Detailed below is a brief description of the City's insurance coverage Programs. The City may decide to change the basic elements of any Program.

Program 1 Airport Property Program Coverage

Program 2 Airport Liability Program Coverage

- i. Nuclear, Chemical, Biological, Radiological (NCBR) Liability and Property
- ii. Pollution Legal Liability
- iii. Chicago-Gary Airport Authority
- iv. Midway Noise (Directors & Officers)
- v. O'Hare Airport Security Bonds

Program 3 City Property Coverage

Program 4 City Excess Liability Coverage

Program 5 Miscellaneous Insurance Program Coverages

- A. Fine Arts
- B. Special Events
- C. Fire Department Helicopters
- D. Fire Department Boat
- E. Police Department Helicopters
- F. Crime Insurance
- G. Cyber Liability
- H. Excess Medical Professional Liability
- I. Active Assailant
- J. Public Official Bonds
- K. Fire Department Bond

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EXHIBIT 2

Description of the Exhibit 2 – COST PROPOSAL Excel File

I. General Information

Incorporated here by reference, as a separate Excel file, is the Exhibit 2, live Excel “Cost Proposal” file. The following narrative applies to how the Excel Cost Proposal files should be addressed.

As described briefly in the cover letter to this RFP, the Cost Proposal for this RFP is to be executed by executing the Exhibit 2 Excel file.

The Cost Proposal is set out into three groups: Group A, Group B, and Group C. Respondents may elect to bid on any one or more Groups accordingly.

Compensation Disclosure

The City requires the Contractor to provide competitive, equitable, and transparent compensation arrangements. In this regard, during the evaluation process, the City shall require statements from the Respondent explaining the fee structure and fee amounts and all commissions, (direct, wholesale, contingent, and other, etc.).

The City, especially in consideration of current market trends (increases in premiums) and industry practices with respect to the insurance market, does not consider that premium levels necessarily equitably justify the compensation levels currently demanded (e.g., because a premium increases by fifty percent the broker commission should not increase by fifty percent accordingly for the same amount of work). Rather, the City’s fiscal administration may require justification and sufficient explanations that can demonstrate or otherwise support any equitable compensation. Further, competitive pricing is a factor and there is a not-to-exceed amount on commission earned each year after the 1st contract year.

Insurance brokers are required to justify or otherwise provide a narrative describing the basis for or rational for its proposed compensation plans. In an effort to realize full transparency, the City may, at its sole discretion, request affidavits from participating insurers certifying that no commission, contingency fees, discounts, or any other income of any type have been paid to the Contractor.

II. Cost Proposal Requirements

Respondent must disclose the total cost of servicing the insurance Programs, by coverage type, through the establishment of a fixed fee arrangement, commission, and/or some other type of compensation arrangement.

If Respondent does not fully outline Respondent’s compensation arrangement in this Proposal, the Respondent may be considered non-responsive to this RFP.

The City expects the utmost service throughout the contract period and understands the amount of work and commitment that is needed. A competitive fee is encouraged and an obvious low fee is discouraged.

Proposed fee, commissions, and hourly fees are subject to negotiation.

Respondent must disclose information describing how compensation was derived.

Group A. Program Insurance Brokerage Services Pricing

If the Respondent elects to bid any one or more of the Insurance Brokerage Service Programs. Prices must be input into the applicable Group A cells in the Excel Exhibit 2 Cost Proposal.

The Respondent must bid an amount for each contract year (whereby “per contract year” means each 12-month period established by the 12-month anniversary date from the contract’s Effective Date established upon the contract award date) applicable to the four price category columns per year as follows:

- i. Brokerage Consulting Fees as an Annual Not to Exceed Flat Fee Amount for the year;
- ii. Broker Commission fee as a percentage of commission
- iii. Wholesaler Commission fee as a percentage of commission
- iv. Contingent Commission fee as a percentage of commission

Further, Respondent may bid on one or more of the individual Programs or all Programs, 1 through 4, and the Respondent may bid on any one or more of the 11 coverages, 5.a through 5.k under Program 5 – Miscellaneous Insurance Program Coverages,

Accordingly, the Insurance Brokerage Services as described in Exhibit 1 Scope of Services applies for all Programs and coverages as bid.

The sum of each column for each contract year shall be tabulated to derive a total lump sum value.

Group B. Claims Consulting Services

If the Respondent elects to bid Claims Consulting Services as a stand-alone service., Respondent may provide Claims Consulting Services with or without having a contract for any of the Group A or Programs, or Group C Services. Prices must be input into the applicable Group B cells in the Excel Exhibit 2 Cost Proposal.

The Respondent must bid an amount for each contract year (whereby “per contract year” means each 12-month period established by the 12-month anniversary date from the contract’s Effective Date established upon the contract award date) applicable to the two price category columns per year as follows:

Fully-Loaded Hourly Rate per Man-Hour

The City understands the insurance Claims Consulting Services business profession and the various pricing mechanisms used in this industry.

Based on the format set out in the Excel file, the Respondent is required to submit a fully-loaded hourly rate as one flat hourly-rate per man-hour per contract year (whereby “per contract year” means each 12-month period established by the 12-month anniversary date from the contract’s Effective Date established upon the contract award date). Further, the fully-loaded hourly rate shall only be chargeable for the time the Contractor provides Claims Consulting Services in response to a request made in writing by the City to the Contractor concerning a Claims Consulting Services matter.

NOTE: “Fully-loaded” shall mean the all-inclusive price which includes, time and material costs (i.e., payroll and material costs incurred), all applicable costs of doing business (e.g., tax increases; inflation; property lease costs), unforeseen third-party cost increases (in the event a subcontractor or agent is required), costs for any

foreseen or unforeseen realized loss, profit, and overhead. "Man-Hour" means one person working for one hour.

Annual Not-to-Exceed Flat Fee Amount

Further, an Annual Not to Exceed Flat Fee Amount shall be bid per contract year. The Annual Not to Exceed Flat Fee Amount shall apply as a fixed annual limit based on multiplying the fully-loaded hourly rate by the estimated billable number of Man-Hours per contract year.

Based on the format set out in the Excel file Exhibit 2 Cost Proposal for the 5-year base contract term plus each of the three contract extension option years, propose an Annual Not to Exceed Flat Fee Amount applicable to provide Claims Consulting Services, per contract year.

The Annual Not to Exceed Flat Fee Amount proposed flat fee and the fully-loaded hourly rates built into the Annual Not to Exceed Flat Fee Amount, are subject to negotiation.

Group C. Loss Control and Safety Services

Loss Control and Safety Services is a stand-alone service. Respondent may provide Loss Control and Safety Services with or without having a contract for any of the Group A Programs or Group B Services.

Fully-Loaded Hourly Rate per Man-Hour

The City understands the insurance Loss Control and Safety Services business profession and the various pricing mechanisms used in this industry.

Based on the format set out in the Excel file Exhibit 2 Cost Proposal, the Respondent is required to submit a fully-loaded hourly rate as one flat hourly-rate per contract year (whereby "per contract year" means each 12-month period established by the 12-month anniversary date from the contract's Effective Date established upon the contract award date). Further, the fully-loaded hourly rate shall only be chargeable for the time the Contractor provides Loss Control and Safety Services in response to a request made in writing by the City to the Contractor concerning a Loss Control and Safety Services matter.

NOTE: "Fully-loaded" shall mean the all-inclusive price which includes, time and material costs (i.e., payroll and material costs incurred), all applicable costs of doing business (e.g., tax increases; inflation; property lease costs), unforeseen third-party cost increases (in the event a subcontractor or agent is required), costs for any foreseen or unforeseen realized loss, profit, and overhead. "Man-Hour" means one person working for one hour.

Annual Not-to-Exceed Flat Fee Amount

Further, an Annual Not to Exceed Flat Fee Amount shall be bid per contract year. The Annual Not to Exceed Flat Fee Amount shall apply as a fixed annual limit based on multiplying the fully-loaded hourly rate by the estimated billable number of Man-Hours per contract year.

Based on the format set out in the Excel file Exhibit 2 Cost Proposal for the 5-year base contract term plus each of the three contract extension option years, propose an Annual Not to Exceed Flat Fee Amount applicable to provide Loss Control and Safety Services, per contract year.

The Annual Not to Exceed Flat Fee Amount proposed flat fee and the fully-loaded hourly rates built into the Annual Not to Exceed Flat Fee Amount, are subject to negotiation..

Note: MBE/WBE percentage commitment goals shall be calculated based on the actual total dollars paid by the City to the Contractor in accordance with the Compensation Schedule resident in the executed contract.

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EXHIBIT 3

RISK MANAGEMENT INTERROGATORIES

1. Identify who in your organization manages the clients outlined as “References” in your Proposal. Please specify each person’s role as respects to insurance placement, account servicing, claims expertise, safety, and RMIS.
2. Provide any manuscript polices drafted by your organization that have been used in the marketplace, which may be similar to the coverages described in Exhibit 1-A.
3. The City’s insurance policies are primarily manuscript forms which in many cases require placement in the excess and surplus lines insurance market.
 - a. Describe instances your organization would require the use of a wholesale broker (whether owned by your organization or outside).
 - b. Provide information regarding your relationship with the wholesale markets, (e.g., subsidiary of your company, length of relationship, etc.).
 - c. Please share the wholesale commission ranges typically associated with excess surplus lines placements.
4. Identify and describe likely markets and discuss why your firm is best positioned to represent the City with these markets.
 - a. Describe your relationships with potential insurance carriers and wholesale brokers that may be used on the City program.
 - b. If a market is not directly handled by the proposed team in the RFP, you **must** provide a detail of your plan to access the market. Please discuss these markets’ experiences with public sector business.
5. If and when wholesale brokers or any other intermediaries are used, please advise on your ability to negotiate their earnings. Note: The City has been successful in this endeavor. Any and all intermediaries utilized must demonstrate that they add value and earn its revenue.
6. Identify unique risk-financing alternatives outside of traditional insurance you have implemented for your municipal clients and advise on its success; include any captives, insurance trusts, risk retention groups, and or other Alternative Risk Transfer (“ART”) Groups.
7. Full disclosure of compensation and information on how it affects the City insurance placement will be required.
 - a. Does your organization accept contingent commission? If so, explain your organization’s philosophy for accepting this type of compensation insofar as some brokers no longer accept it.
 - b. Does your organization have an ethics policy or “code of conduct” requirement in this regard?
8. Please provide specific details on the insurance specifications for the Insurance Program(s) that Respondent is bidding on as outlined in this RFP.

9. Confirm Respondent has experience with placing the coverage outlined in this RFP. Respondent should have an understanding of the services necessary to support the City insurance Programs and include a reasonable compensation as requested in the Cost Proposal therein.
10. Demonstrate understanding of the Illinois Tort Immunity Act (the "Act") by describing the Respondent's experience with assisting with litigation associated with the Act as well as the experience of the claims team member(s) proposed in this RFP (see section 4.C under Proposal Submittal Requirements).
11. Describe how/why your organization is better able to partner with the City for broker services than your competitors for each Program bid and/or for Group B and/or for Group C Services.
12. Identify your firm's premium volume with public sector insurance carriers (identify the five largest).
13. Describe your firm's RMIS application used, and describe how accessibility by the City staff shall be provided to your RMIS.
 - a. Indicate the security protocols as may be required.
 - b. Additionally, in an effort to better understand the actual functionality of your RMIS application, the City may request a demonstration of its capabilities.
14. Describe your firm's experience in providing Safety & Loss Control and Claims Management Services as respects professional expertise, specific public sector clients.
15. Describe your relationship with MBE/WBE compliance plans for public entities, as respects the work to be performed by the MBE and the WBE firms such as meeting attendances, involvement in stewardship reports, renewal meetings, policy review meetings, etc.
 - a. Describe your relationship with your selected MBE/WBE firms.
 - b. Describe your relationships with MBE/WBE firms on other public entity accounts.

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EXHIBIT 4

City's Sample Professional Services Contract Terms and Conditions

Incorporated here by reference, as a separate Word.docx file, are the City's Sample Professional Services Contract Terms and Conditions that are applicable upon award of contract to the Contractor.

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EXHIBIT 5

INSURANCE REQUIREMENTS

Department of Finance ("DOF") Insurance Broker Services

A. INSURANCE REQUIRED

Contractor must provide and maintain at Contractor's own expense, during the term of the Contract 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 Contract.

- 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 Contract and Employers Liability coverage with limits of not less than \$1,000,000 each accident; \$1,000,000 disease-policy limit; and \$1,000,000 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 and other entities as required by 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 insured 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 \$4,000,000 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

Professional Liability Insurance must be maintained with limits of not less than \$5,000,000 covering acts, errors, or omissions. Coverage must include, but not be limited to, technology errors and omissions. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede start of work on the Contract. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

6) Cyber Liability (Primary and Umbrella)

Cyber Liability must be maintained with limits of not less than \$5,000,000 per cyber incident, \$5,000,000 per aggregate. Coverage must be sufficiently broad to respond to the duties and obligations as is undertaken by Contractor in this Contract and must include, but not be limited to, the following: invasion of privacy violations, information theft, release of private information, extortion and network security, breach response coverage and cost, regulatory liability including fines and penalties and credit monitoring expenses, denial or loss of service, unauthorized access to or use of computer systems, no exclusion/restriction for unencrypted portable devices/media may be on the policy and introduction, implantation, and/or spread of malicious software code and property damage liability in an amount sufficient to cover the full replacement value of damage to, alteration of, loss of, or destruction of electronic data and/or information property of the City that will be in the care, custody, or control of Contractor must also be included.

Contractor must obtain Contingent Business Interruption insurance including, but not limited to, the following: Business Income Loss and Extra Expenses incurred during the interruption period caused directly as a result of the following: criminal hacking, malicious inside elements, distributed denial of service (DDoS) attacks and total, partial, or intermittent interruption or degradation in service of the computer system of an outsourced service provider caused directly by a privacy breach, security breach, or administrative error at that outsourced service provider.

The City must be named as an indemnified party or additional insured. Should the City be named as an additional insured and the policy contains an insured versus insured exclusion, the exclusion must be amended and not be applicable to the City.

7) Valuable Papers

When any data, media, specifications and 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.

B. Additional Requirements

Evidence of Insurance. Contractor must furnish the City, Chicago Department of Finance, Risk Management division, 333 South State Street, Room 400, Chicago, IL 60604-3985, original certificates of insurance and additional insured endorsements, or other evidence of insurance, to be in force on the date of this Contract, and renewal certificates of Insurance and additional insured endorsements, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Contract.

Contractor must submit a certificate of insurance, additional insured endorsements, or other evidence of insurance prior to execution of Contract.

The receipt of any certificate of insurance and additional insured endorsement 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 of insurance are in compliance with all requirements of the Contract.

The failure of the City to obtain, nor the City's receipt of, or failure to object to a non-complying certificate of insurance or additional insured endorsement or other evidence of insurance 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 the City sixty (60) days prior written notice before any required insurance 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 agrees to require its 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 from Contractor's insurer(s).

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

No Limitation as to Contractor's Liabilities. The coverages and limits furnished by Contractor in no way limits or restricts 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 is entitled to the higher limits and/or broader coverage.

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, then it will be responsible for the acquisition and cost.

Insurance required of Subcontractors. Contractor must either name the Subcontractor(s) as a named insured(s) under Contractor's insurance or require each Subcontractor to provide and maintain Commercial General Liability, Commercial Automobile Liability, Worker's Compensation and Employers Liability Insurance and when applicable Excess/Umbrella Liability and Professional 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 and may be subject to approval by the City.

Contractor must 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 on an additional insured endorsement form 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 from each Subcontractor.

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 Finance, Risk Management Office maintains the right to modify, delete, alter or change these requirements.

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EXHIBIT 6

MBE/WBE Special Conditions

The MBE/WBE Special Conditions applicable for this RFP, including Schedule C-1 and Schedule D-1 forms, are set out in EXHIBIT 3 in the PSA, incorporated here by reference.

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EXHIBIT 7

Service Level Requirements (“SLRs”)

During the contract-negotiation phase of this RFP process, the content for this Exhibit 7 shall be provided when the City and selected Respondent establish specific SLR terms and conditions and any related liquidated damages to be assessed in the event the Contractor fails to meet the SLRs accordingly.

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