

CITY OF LOS ANGELES

**INSURANCE BROKERAGE SERVICES FOR
PROPERTY AND LIABILITY INSURANCE PROGRAMS
REQUEST FOR PROPOSALS**

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REQUEST FOR PROPOSALS FOR INSURANCE BROKERAGE SERVICES FOR PROPERTY AND LIABILITY INSURANCE PROGRAMS

I. INTRODUCTION AND BACKGROUND

PURPOSE OF THIS REQUEST FOR PROPOSALS (RFP)

The City of Los Angeles (City) seeks proposals from California insurance brokers to provide insurance brokerage services for the City, including managing and marketing the insurance policies summarized in Exhibit A – Insurance Policies of the City of Los Angeles (Exhibit A). Copies of all policies are available on the Los Angeles Business Assistance Virtual Network website: <http://www.labavn.org/>.

The City intends to award a three-year brokerage services agreement to the successful proposer. The number, premiums, and characteristics of the policies in Exhibit A are subject to change over the three-year term of the brokerage services agreement.

KEY DATES

Please note the following:

| EVENT | DATE |
|---|---------------------------------|
| Last day for proposers to submit questions | April 30, 2018 |
| Proposals due | May 11, 2018 |
| Oral interviews | May 22 & 23, 2018 |
| Broker of Record appointed | June 4, 2018 (approximately) |
| Brokerage Services Agreement approved by Mayor, City Attorney and City Administrative Officer | June 2018 |

GENERAL INFORMATION ABOUT THE CITY OF LOS ANGELES, CITY ADMINISTRATIVE OFFICER AND CAO – RISK MANAGEMENT

The City of Los Angeles is the second most populous city in the United States with an estimated 2017 population of approximately 4.04 million. Los Angeles is the principal city of a metropolitan region stretching from the City of Ventura to the north, the City of San Clemente to the south, the City of San Bernardino to the east, and the Pacific Ocean to the west. The City's 470 square miles contain 11.5 percent of the area and 39 percent of the population of the County of Los Angeles.

As Executive Officer, the Mayor supervises the administrative process of the City and works with the Council in matters relating to legislation, budget and finance. As governing body of the City, the 15 member, full-time Council enacts ordinances, levies taxes, approves utility rates, authorizes contracts and public improvements, adopts zoning and other land use controls and provides the necessary resources for the budgetary departments and offices of the City.

Public services provided by the City's approximately 49,229 employees include police, fire and paramedics, residential refuse collection and disposal, wastewater collection and treatment, street maintenance and other public works functions, enforcement of ordinances and statutes relating to building safety, public libraries, recreation and parks, community development, housing and aging services, planning, airports, harbor, power and water services and a convention center.

The City Administrative Officer is the chief financial advisor to the Mayor and Council, reporting directly to both. This Office assists the Mayor and Council in the preparation of the City budget, forecasts and manages revenue projections, manages the City's debt program, represents the City in the negotiation of all labor contracts, directs the development of work programs and standards and manages the City's risk management program.

The Risk Management team in the Office of the City Administrative Officer (CAO-Risk Management) manages the central risk management function for the City. CAO-Risk Management provides Citywide risk management services, including loss prevention and control, claims management and analysis, insurance and bonds compliance, insurance procurement, and small contractor insurance and bond programs.

II. GENERAL INSTRUCTIONS FOR PROPOSERS

A. STATEMENT OF QUALIFICATIONS

Provide a concise description of your firm's qualifications to place and service the insurance policies scheduled in Exhibit A and to assist the City with insurance and risk management-related activities. **Do not include extraneous material not relevant to the information requested in this RFP.** You should focus on your firm's services and expertise as it relates to the City and similar accounts.

1. Provide a brief history and description of your firm. Describe its size (by number of employees and/or revenues) and areas of specialization. In addition, provide the address of the office that would handle the City's account and advise of any specialization in that office that will benefit the City.
2. Provide a copy of your latest audited financial statement or other comparable document.
3. If selected as the successful broker, provide satisfactory evidence of insurance coverages as outlined in the Additional General Instructions for Proposers.
4. Provide the names, location, qualifications, and experience of each individual who would work on the City's account and describe the duties of each. This information should be provided for all account executives, marketing personnel, loss control personnel, claims personnel, risk management personnel and others who would actively work on the City's account.
5. Provide the names and telephone numbers of at least four references, preferably public entities in California. These should include other accounts similar to the City. Identify the account size and types of coverage handled for each reference provided and the length of time your firm has handled the account. Also show the name of the individual within your firm who is responsible for the account.
6. Describe what your firm will do to ensure that it thoroughly understands and keeps abreast of the City's loss exposures if it is selected as the successful broker.
7. Describe how your firm evaluates the financial stability of insurers and any minimum standards placed on insurers.
8. Describe how you plan to be compensated, whether on the basis of fees or commissions or as a combination. Describe how the amount of commission and fees will be determined initially and over time, and whether you would receive any other income for placing the City's insurance or related services. **Please note: contingent commissions are not allowed.**

9. Describe other related services that your firm could provide that may be of benefit to the City.

B. ASSESSMENT OF CURRENT INSURANCE PROGRAMS

Please carefully review each insurance policy identified in Exhibit A and provide the following:

1. An overall assessment of the structure of each policy or group of policies, commenting on the current insurance companies and limits of coverage for each, including adequacy of overall limits of protection and appropriateness of various retention or deductible amounts.
2. A critical review of the current coverage provided, identifying any features that might be particularly attractive to the City. This review could include the use of particular insurers, coverage forms, special clauses, wording, consolidation of policies, etc. Please be specific and explain why any changes should be made.

C. PROPOSAL FOR INSURANCE BROKERAGE SERVICES

The successful proposer shall provide a detailed proposal for insurance brokerage services for the City of Los Angeles, including at least the following services, as well as all services outlined in Exhibit B – Brokerage Services Agreement (Sample).

INSURANCE MARKETING

1. Provide accurate and complete information regarding the most advantageous insurance markets from the standpoint of cost, service, coverage, and security.
2. Prior to each renewal, prepare a market analysis and forecast for each policy or group of policies listed in Exhibit A. Such analysis must identify pricing and service trends, availability of markets, the longer-term direction of the market, and the feasibility of reducing costs and/or improving coverages by consolidating policies into one or more master policies.
3. Market required insurance coverages and additional insurance needs as requested during the term of the brokerage services agreement. This function shall include preparation of complete and accurate specifications for presentation to the insurance marketplace.
4. Assist in the preparation of materials, specifications, and underwriting data required by insurers. This includes working with the City to gather the necessary information.

5. Verify the accuracy and adequacy of all binders, policies, policy endorsements, invoices, claims information and other insurance-related documents prior to delivery to the City. Any coverage changes at renewal shall be communicated in writing by the broker to the City.
6. Provide recommendations on coverage changes and program adjustments or restructuring, as needed.

CLAIMS

Provide expert assistance in handling claims, including but not limited to:

1. Preparing proofs of loss or claim reports.
2. Obtaining loss settlements, histories and summaries from insurers.
3. Maintaining a database of all important claims information and submitting reports as required by the City.

ADMINISTRATION

1. Issue binders, certificates of insurance and other coverage-verification documents as required.
2. Respond to City's questions regarding insurance coverages and related issues.
3. Structure insurance programs to eliminate gaps or overlaps in coverage and provide the terms and limits requested by the City.
4. Keep appropriate records as required by the City.

BROKER RISK MANAGEMENT SERVICES

1. Participate in the development and improvement of risk-control programs.
2. Participate in the evaluation of risk-financing opportunities/alternatives that may be available to the City.
3. Evaluate and monitor each insurer's financial status and advise the City immediately of any adverse developments that might impact existing or renewal insurance placements.
4. At program renewal, prepare and provide to the City an annual report on all coverages placed, activities performed and planned, future plans and goals for cost reduction, program enhancement and all remuneration received from any insurer or any other source in connection with the City's insurance.
5. Provide additional broker risk management related services as required, including broker assistance on new City projects.

ADDITIONAL GENERAL INSTRUCTIONS

The following additional general instructions are issued to all proposers and should be followed in the development and presentation of proposals.

1. Insurance Market Contact

Proposers are **not** authorized to approach insurers or any other underwriting sources on behalf of the City. No insurance market contact may be made on behalf of the City and no market reservations or commitments may be made for any purpose with respect to any insurance or reinsurance to be provided for the City. Failure to adhere to this request by a proposing broker may disqualify such broker's proposal.

2. Proposer Questions and Responses

All questions concerning this RFP must be submitted prior to 3:00 p.m., Monday, April 30, 2018, via e-mail to:

**Paul Ruelas
Risk Manager
paul.ruelas@lacity.org**

A copy of all proposer questions and the City's responses will be available on the Los Angeles Business Assistance Virtual Network website: <http://www.labavn.org/> and on the CAO-Risk Management website: <http://cao.lacity.org/risk/> on or before May 3, 2018.

Information included in this RFP is believed accurate based on known information. Proposers and underwriters are provided with this information so they may be knowledgeable concerning the extent and character of the risks to be insured and the City's requirements.

3. Broker of Record Appointment and Services Agreement

The Broker of Record appointment will be made on or about June 6, 2018, subject to the approval of the Mayor, City Administrative Officer, and City Attorney. The selected broker will be required to execute a Brokerage Services Agreement (Agreement) substantially similar to the sample included in this RFP for a three-year period.

4. Acceptance of Terms and Conditions

Proposers understand and agree that submission of a proposal constitutes acknowledgement and acceptance of, and a willingness to comply with, all of the terms and conditions in this RFP. Further, the terms and conditions stated in the sample Agreement of this RFP will be included in the final Agreement. The City reserves the right to further negotiate the terms and conditions of the Agreement. Proposers will be

deemed to have read, understood and accepted those terms and conditions unless specific changes are requested in the proposal submitted and are accepted by the City.

5. Insurance Requirements

Prior to commencement of work and at Broker's own cost and expense, Broker shall procure and maintain the following insurance for the term of this agreement and any additional terms:

| <u>Coverage</u> | <u>Minimum Limits</u> |
|--|---|
| General Liability | \$1,000,000 per occurrence, combined single limit |
| Automobile Liability | \$1,000,000 per accident, combined single limit |
| Workers' Compensation/Employer's Liability | Statutory/\$1,000,000 per accident |
| Professional Liability | \$5,000,000 per claim/aggregate |

Prior to commencement of work Broker must submit evidence of the above insurance to the City using Track4LA[®], the City's insurance compliance system.

Broker will be required to abide by the attached (Exhibit C), City of Los Angeles Standard Provisions for City Contracts (Rev. 10/17) [v.2], in its entirety, including all insurance requirements. Such provisions are not subject to negotiation during the contractual phase.

III. SUBMISSION OF PROPOSALS

Proposals not in compliance with the following instructions are subject to disqualification:

- Proposals must be submitted in writing and signed by an officer of the organization authorized to execute the proposal. The proposal must contain a statement that the proposal is valid for a period of at least ninety (90) days from the date of delivery.
- The proposal must be submitted in 8-1/2 by 11 inch page format. All pages must be numbered.

To be considered responsive to this solicitation, proposals must include complete responses to all items requested in this RFP; including completed responses to the Standard Provisions for City Contracts (see Exhibits):

- City Business Tax Registration Certificate or Vendor Registration Number

- Evidence of Insurance
- Affirmative Action Program
- Equal Benefits Ordinance
- Slavery Disclosure Ordinance
- Certification of Compliance with Child Support Obligations
- Child Support Ordinance
- Contractor Responsibility Ordinance and Affidavit of Non-Collusion compliance.
- Municipal Lobbying Ordinance
- City Ethics Forms 50 and 55

Failure to include satisfactory responses to these items may result in the City rejecting such proposals as non-responsive.

- One (1) original proposal and one (1) reproducible proposal copy in an electronic format must be delivered to City, **no later than 3:00 p.m., Friday, May 11, 2018 to the following address:**

City Administrative Officer, Risk Management
City of Los Angeles
200 North Main Street, Room 1240 City Hall East
Los Angeles, CA 90012

The proposal envelope must be **boldly marked:**

"PROPOSAL FOR INSURANCE BROKERAGE SERVICES FOR PROPERTY AND LIABILITY INSURANCE PROGRAMS"

IV. EVALUATION OF PROPOSALS

A. RATING PANEL

Proposals will be rated solely on the information received, and therefore proposals should be comprehensive and thorough. A panel composed of City staff will evaluate and rate proposals based on the requirements outlined in this RFP. At any time during the City's RFP process, the panel may utilize the services of appropriate experts to assist them in their evaluation.

Each rater will complete a written evaluation document. The numerical scores for each proposal will be totaled, and the proposals will be ranked from the highest to the lowest score. The proposer whose proposal receives the highest overall score will be recommended to serve as the City's Broker of Record.

B. ORAL INTERVIEWS

Oral presentations will be conducted by the rating panel on Tuesday, May 22, 2018 and Wednesday, May 23, 2018.

C. EVALUATION CRITERIA

Proposal evaluations are subject to the following evaluation criteria and corresponding weighting percentages:

1. Qualifications of Firm (55%)
2. Assessment of Current Insurance Program (20%)
3. Broker Fees/Costs (25%)

D. CITY'S RIGHTS

The City, in its review and evaluation of proposals, reserves the right to:

- Reject any or all proposals received
- Cancel the entire RFP at any time
- Issue or not issue subsequent RFPs
- Accept or reject any portion of any proposal received
- Negotiate with any or none of the proposers
- Waive any and all formalities not considered advantageous to the City

All costs and expenses associated with the development of a response to this RFP are the sole responsibility of the proposer. The City is not obligated to the proposer in any manner and will not reimburse or pay any cost incurred by the proposer in responding to this or any subsequent RFP.

Exhibit A

City of Los Angeles – Schedule of Insurance Policies

| Renewal Date | Coverage | Carrier | Policy Number | Limits | Premium (Net) | Comments |
|----------------------------|--|-------------------------------------|--------------------|--|---------------|---|
| Last Placement 5/6/2017 | GL | James River Insurance Company | 00077030-0 | \$1MM occ./\$2MM agg. | 21,910 | CAO - Placement Based on City Election Schedule (as needed) |
| 3/27/2019 | GL | Gemini Ins. Co. | TBD | \$1MM occ./\$2MM agg. | 9,220 | Volunteer Neighborhood Beautification/Public Works Community Beautification |
| 3/27/2019 | Auto Liability | Federal Insurance Co. | 7995-92-53 | \$1MM | 11,619 | ITA City View Channel 35 |
| 3/27/2019 | Commercial Package – GL & Property | Vigilant Insurance Co. | 7995-92-52 | \$1MM occ./\$2MM agg. | 4,691 | ITA City View Channel 35 |
| 3/27/2019 | GL & Property | Philadelphia Ins. Co. | PHPK1609911 | GL\$1MM occ./\$2MM agg., Business Personal Property \$2,500 | 1,916 | Friends of the Library |
| 3/27/2019 | GL Excess | Philadelphia Ins. Co. | PHUB572485 | \$1MM XS of \$1MM | 626 | Friends of the Library |
| 3/27/2019 | Property (All Risk Including Terrorism) | Factory Mutual Ins. Co. | 1037288 | \$1Billion, Terrorism (Certified & Non-Certified) \$100MM Non Sewage Plant Specified Locations, \$200MM Sewage Plant Specified Locations | 1,549,000 | MICLA Requirement |
| 3/27/2019 | General Liability | Scottsdale Indemnity Co. | KKI0000020799600 | \$1MM occ./\$5MM agg. w/TRIA | 27,446 | Convention Center |
| 3/27/2019 | Commercial Umbrella Liability | National Union Fire Insurance Co. | TBD | \$25MM occ./\$25MM agg. w/TRIA | 27,200 | Convention Center |
| 3/27/2019 | Excess Liability | American Fire and Casualty Co. | TBD | \$25MM occ. \$25MM agg. w/TRIA | 20,200 | Convention Center |
| 3/27/2019 | Business Auto | Scottsdale Indemnity Co. | TBD | \$1MM/\$2MM Garage Keepers | 2,704 | Convention Center |
| 3/27/2019 | Fine Arts | Underwriters at Lloyd's | 101301W18/14720W17 | \$15MM Blanket Limits/\$10MM Earthquake | 82,084 | Cultural Affairs |
| 4/1/2021 | Accidental Medical | AIG | TBD | \$25,000 occ./\$500,000 agg. | 24,936 | Mayor's Volunteer Program |
| 2/28/2021 | Crime Policy | Fidelity & Deposit Co. of Maryland | CCP005124515 | \$5 MM Employee Theft | 79,808 | Charter Requirement |
| 10/20/2018 | General Liability | Penn-Star Insurance Company | CPV0015236 | \$3MM occ./\$3MM agg. | 13,401 | Housing Dept |
| 10/20/2018 | Property | Seneca Insurance Co. | SSP1901205 | Based On Scheduled Locations | 48,205 | Housing Dept |
| 12/1/2018 | General Liability (Golf Cart Operations) | Associated Industries Insurance Co. | AES100017507 | \$1MM occ./\$2MM agg. | 22,417 | Recreation and Parks |
| 12/1/2018 | XS Liability | Starstone National Insurance Co. | 89281H174ALI | \$5MM | 6,212 | Recreation and Parks |
| 12/1/2018 | Property (Golf Carts) | QBE Specialty Insurance Co. | QIM0031649 | Based On Scheduled Locations | 23,396 | Recreation and Parks |
| 12/20/2018 | Property | AGCS Marine Insurance Co. | SML93055485 | Based On Scheduled Location | 14,481 | Hollywood Sign Trust |
| | | | | | 1,991,472 | Total Net Premiums |

Exhibit B

AGREEMENT

BETWEEN BROKER AND THE CITY OF LOS ANGELES

FOR PROPERTY AND LIABILITY INSURANCE BROKERAGE SERVICES

(SAMPLE)

**AGREEMENT BETWEEN
BROKER AND THE CITY OF LOS ANGELES
FOR PROPERTY AND LIABILITY INSURANCE BROKERAGE SERVICES**

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This Broker Services Agreement (AGREEMENT) is made and entered into on July 1, 2018 by and between Broker (BROKER), and the City of Los Angeles (CITY) acting through its Office of the City Administrative Officer, Risk Management.

RECITALS:

- A. CITY, through the Office of the City Administrative Officer, Risk Management, purchases insurance coverage consistent with the guidelines of the City's Risk Management Policy.
- B. CITY requires certain technical and expert services of a temporary and occasional nature consisting generally of insurance broker services to cost-effectively secure quality insurance on a continuous basis for the CITY.
- C. BROKER has expertise as an insurance brokerage firm and was selected to provide the required services following a competitive Request for Proposals process.
- D. The required services can be performed more economically or feasibly by BROKER than by CITY employees.

NOW, THEREFORE, the parties do agree as follows:

1.0 BROKERAGE SERVICES

The BROKER will:

- 1.1 Provide accurate and complete information regarding the most advantageous insurance markets from the standpoint of cost, service, coverage and security.
- 1.2 Prior to each renewal, prepare a market analysis and forecast for each policy or group of policies listed in Exhibit A – Insurance Policies of the City of Los Angeles. Such analysis must identify pricing and service trends, availability of markets, the longer-term direction of the market and the feasibility of reducing costs and/or improving coverages by consolidating policies into one or more master policies.
- 1.3 Market required insurance coverages and additional insurance needs on a timely basis as requested during the term of the AGREEMENT. This function shall include preparation of complete and accurate specifications for presentation to the insurance marketplace.

- 1.4 Assist in the preparation of materials, specifications, and underwriting data required by insurers. This includes working with the CITY to gather the necessary information.
- 1.5 Fully document marketing of the required insurance coverages, including copies of any declinations received from insurance carriers.
- 1.6 Verify the accuracy and adequacy of all binders, policies, policy endorsements, invoices, claims information, and other insurance-related documents prior to delivery to the CITY. Any irregularities or required corrections or coverage changes shall be promptly communicated in writing or electronically by the BROKER to the CITY.
- 1.7 Provide recommendations on coverage changes and program adjustments or restructuring, as needed.
- 1.8 Assist the CITY in preparing proofs of loss or claims reports.
- 1.9 Assist the CITY in obtaining loss settlements, histories and summaries from insurers.
- 1.10 Assist the CITY in maintaining a database of all important claims information and submitting reports as required by the CITY.
- 1.11 Issue binders, certificates of insurance, and other coverage verification documents as required.
- 1.12 Respond to CITY'S questions regarding insurance coverages and related issues, including contractual issues and City Requests for Proposals and Requests for Bids.
- 1.13 Structure insurance programs to eliminate gaps or overlaps in coverage and provide the terms and limits requested by the CITY.
- 1.14 Provide expert evaluation in the development (and improvement) of risk control programs.
- 1.15 Participate in all risk control surveys performed by or on behalf of insurance carriers.
- 1.16 Participate in the evaluation of risk financing opportunities/alternatives that may be available to the CITY.
- 1.17 Evaluate and monitor each insurer's financial status and advise the CITY immediately of any adverse developments that might impact existing or

renewal insurance placements.

- 1.18 Prepare and provide to the CITY an annual report on all coverages placed, activities performed and planned, future plans and goals for cost reduction, program enhancement, and contributions and all remuneration received from any insurer or any other source in connection with the CITY'S insurance.
- 1.19 Attend meetings with CITY, as needed and requested by CITY.
- 1.20 Perform additional services as outlined in BROKER'S proposal.

2.0 CITY RESPONSIBILITIES

The CITY will:

- 2.1 Provide accurate and timely insurance application information to BROKER as needed to secure quotations for coverage.
- 2.2 Provide payment to BROKER of premiums, premium taxes, agreed fees, and surcharges, BROKER administration fees to be paid by the CITY, including payment of mutually agreed upon additional services or work, within forty-five (45) days after invoice approval.

3.0 STAFFING

- 3.1 BROKER is not an employee, agent, or other representative of the CITY. BROKER has no authority to act for, legally represent, or otherwise bind or legally commit the CITY in any way except as authorized by the City Administrative Officer or the Director of Risk Management as designee. Notwithstanding the foregoing provisions, the duty of BROKER to the CITY is a fiduciary one entailing the highest duty of individual loyalty. (Refer to Standard Provisions for City Contracts, Rev. 10/17 [v.2] (STANDARD PROVISIONS), Section PSC-10 INDEPENDENT CONTRACTOR)
- 3.2 BROKER must inform CITY within seventy-two (72) hours, of any changes of principals handling the CITY's account and the qualifications of the prospective principals. Such changes shall be made subject to the approval of the CITY.

4.0 COMPENSATION FEES AND REIMBURSEMENT

- 4.1 BROKER shall submit invoices to the CITY stating all insurance premiums, premium taxes, fees and surcharges to be paid by the CITY for the insurance coverage procured under this AGREEMENT as well as all BROKER administration fees to be paid by the CITY. All sources of BROKER compensation must be disclosed, and contingent commissions will not be allowed. As set forth in Section 2.2, the CITY shall provide payment to BROKER of such insurance premiums, premium taxes, fees and surcharges for insurance coverage and BROKER administration fees within forty-five (45) days after invoice approval.
- 4.2 BROKER shall promptly remit to the appropriate insurance carrier(s) all insurance premiums, premium taxes and fees for the insurance coverage procured under this AGREEMENT.
- 4.3 All invoices submitted by BROKER shall be sent to CITY at the following address:
- City of Los Angeles
Office of the City Administrative Officer
Risk Management Division
200 N. Main Street, Suite 1240
Los Angeles, CA 90012
- 4.4 All written correspondence or official contact from CITY to BROKER shall be submitted to the following address:
- (BROKER)
(Address)
- 4.5 Any additional professional services or work performed by BROKER which has been requested pursuant to Section 4.6 below, except for actuarial services, will be billed to CITY at a rate of (to be determined) per hour, commensurate with the services provided. Services for actuarial work, if requested by CITY, will be billed at the rate such services are charged to BROKER. The CITY is under no obligation to authorize any amount of additional professional services or work.
- 4.6 In the event the CITY and BROKER mutually agree upon additional services to be performed by BROKER, BROKER shall submit an itemized statement to the CITY setting forth the hours worked by BROKER, the

specific services performed, and the charges therefor. Statement shall include sufficient and proper documentation evidencing the performance and completion of said additional services or work. After the CITY'S verification of said statement, compensation will be made as agreed in Section 2.2 above.

5.0 INDEMNIFICATION

5.1 Refer to STANDARD PROVISIONS, Section PSC-18 INDEMNIFICATION.

6.0 INSURANCE

6.1 Refer to STANDARD PROVISIONS, Section PSC-23 INSURANCE.

7.0 AUDIT

7.1 An audit of this program may be made from time to time at the discretion of the CITY at no expense to BROKER. BROKER shall cooperate with the auditor named by the CITY, and make available necessary records. Such audits shall be conducted during normal working hours at the offices of BROKER where such records are normally maintained.

8.0 TERM OF AGREEMENT AND CANCELLATION

8.1 The term of this AGREEMENT shall be from July 1, 2018 through June 30, 2021.

8.2 This AGREEMENT may be canceled by either party with or without cause on thirty (30) days' written notice or by mutual written agreement of the parties. Said notice, on the CITY's behalf, will be given by the City Administrative Officer or the Director of Risk Management as designee. Upon such cancellation, BROKER shall: a) make an accounting to CITY of all funds collected by BROKER during the current policy period, b) report the status of all participant policies in force, c) report the status of any claims in process and d) provide CITY with copies of all documents and any related information necessary for CITY to continue the administration of insurance coverage.

8.3 If the interest of the BROKER under this AGREEMENT shall be transferred to, pass to, or devolve upon, by operation of law or otherwise, any other person, firm or corporation; or

If the BROKER is a corporation and becomes a possessor or merged corporation in a consolidation, or a corporation in dissolution; or

If by or pursuant to, or under authority of any legislative act, resolution or rule, or any order or decree of any court or governmental board, agency or officer having jurisdiction, a receiver, trustee, or liquidator shall take possession or control of all or substantially all of the property of the BROKER and such possession or control shall continue in effect for a period of thirty (30) days; then,

Upon the occurrence of any of the events specified in this Section 8.3, the CITY shall have the right, after having given the BROKER seven (7) or more days' written notice, to terminate this AGREEMENT.

- 8.4 In the event BROKER has been paid commission by the participants for placing and providing services regarding any coverage and, for whatever reason, this AGREEMENT is terminated by BROKER; BROKER will continue to provide services to the participants regarding that coverage until the respective policy expires.

9.0 GOVERNING LAW

- 9.1 This AGREEMENT is made under and shall be construed in accordance with and governed by the laws of the State of California.
- 9.2 BROKER shall comply with all laws, rules, and regulations applicable to its performance of the services provided hereunder.
- 9.3 CITY's failure to enforce any provisions of this AGREEMENT, or the waiver thereof in any instance, shall not be construed as a general waiver or relinquishment on its part of any such provision, but the same shall nevertheless be and remain in full force and effect.
- 9.4 If any provision or part of this AGREEMENT shall be declared illegal, void, or unenforceable, the remaining provisions shall continue in full force and effect. (Refer to STANDARD PROVISIONS, Sections PSC-7 WAIVER, PSC-25 WARRANTY AND RESPONSIBILITY OF CONTRACTOR) and PSC-31 CONTRACTOR RESPONSIBILITY ORDINANCE.

10.0 ATTACHMENTS

- 10.1 Insurance Policies of the City of Los Angeles (EXHIBIT A).
- 10.2 The Standard Provisions for City Contracts, Rev. 10/17 [v.2]; (STANDARD PROVISIONS) are hereby incorporated into and made a part of this AGREEMENT as though set forth at length. In the event of any inconsistency between the provisions of this AGREEMENT and the STANDARD PROVISIONS, the inconsistency shall be resolved by giving precedence first to the paragraphs set forth in this AGREEMENT and then to the STANDARD PROVISIONS.
- 10.3 The terms and conditions of the Request for Proposals (RFP) released on April 16, 2018 are hereby incorporated into and made a part of this AGREEMENT as though set forth at length. In the event of any inconsistency between the provisions of this AGREEMENT and the RFP, the inconsistency shall be resolved by giving precedence first to the paragraphs set forth in this AGREEMENT and then to the RFP.
- 10.4 The terms and conditions of the BROKER'S Proposal dated (mm/dd/yyyy) (BROKER'S PROPOSAL) are hereby incorporated into and made a part of this AGREEMENT as though set forth at length. In the event of any inconsistency between the provisions of this AGREEMENT and the BROKER'S PROPOSAL, the inconsistency shall be resolved by giving precedence first to the paragraphs set forth in this AGREEMENT and then to the BROKER'S PROPOSAL.

IN WITNESS THEREOF, the parties hereto have caused this AGREEMENT to be executed by their respective duly authorized representatives.

THE CITY OF LOS ANGELES

BROKER

By: _____
Richard H. Llewellyn, Jr.
City Administrative Officer

By: _____
Name: _____

Date: _____

Title: _____

Date: _____

APPROVED AS TO FORM:

ATTEST:

Michael N. Feuer, City Attorney

Holly L. Wolcott, City Clerk

By: _____

By: _____
Deputy Clerk

Date: _____

Date: _____