



CITY OF MADERA  
Request for Proposals (RFP) No. 202021-02

**Employee Health and Welfare Insurance Consultant Services/Broker of Record**

RFP Submission date: Friday, November 13, 2020 by 3:00 p.m.

PROPOSAL CONTACT:

Wendy Silva  
Director of Human Resources  
City of Madera  
205 W. 4th Street  
Madera, CA 93637

Phone: (559) 661-5481  
FAX: (559) 673-1655  
Email: [wsilva@madera.gov](mailto:wsilva@madera.gov)

Table of Contents

- 1. KEY DATES ..... 2
- 2. INSTRUCTIONS AND CONDITIONS ..... 2
- 3. BACKGROUND ..... 4
- 4. SCOPE OF WORK ..... 4
- 5. PROPOSAL FORMAT AND CONTENT ..... 6
- 6. EVALUATION/SELECTION OF CONSULTANT..... 8
- 7. NEGOTIATION ..... 8
  
- EXHIBIT A: HEALTH AND WELFARE INSURANCE BROKER/CONSULTING SERVICES SAMPLE AGREEMENT .. 9

## REQUEST FOR PROPOSALS

### Employee Health and Welfare Insurance Consultant Services/Broker of Record

RFP NO. 202021-02

October 14, 2020

---

#### 1. KEY DATES

- A. **Questions and suggestions:** Must be submitted in writing no later than 3:00 p.m. Friday, October 30, 2020, to Wendy Silva at [wsilva@madera.gov](mailto:wsilva@madera.gov).
- B. **Filing Deadline: Friday, November 13, 2020 - 3:00 P.M.**

#### 2. INSTRUCTIONS AND CONDITIONS

- A. **Submittal:** Proposers will send one (1) electronic copy via email.
- B. **Electronic Copy:** The electronic file shall be a text searchable, printable PDF document containing the proposal. The full proposal shall be in a single PDF file with page numbers and an interactive table of contents, or other similar means of navigation.
- C. **How to submit:** Proposals must be submitted via email to [wsilva@madera.gov](mailto:wsilva@madera.gov) with the Subject Line: "Insurance Consulting Services/Broker RFP." Submittals must be received prior to the filing deadline.
- D. **Late submittals:** Proposals received after the filing deadline will be returned to the proposer.
- E. Proposals shall be received as set forth in this RFP. The opening of any proposal shall NOT be considered as acceptance of the proposal as a responsive proposal. Attention of proposers is especially directed to the Scope of Work which, in addition to the proposal and these instructions, are the basis for evaluation and will be part of any agreement with the successful proposer. Any deviations from the specifications in this RFP shall be proper reason for rejection of all or any part of the proposal.
- F. The City reserves the right to reject or accept any or all submittals or parts thereof, and to accept or reject the alternatives individually or jointly, for any reason. The City reserves the right to consider any minor deviations from the specifications in this RFP and determine the acceptance or rejection of such deviation. The City reserves the right to seek supplementary information from any proposer at any time after submittal and before the award. Such information will be limited to clarification or amplification of information asked in the original proposal.
- G. The City recognizes its policy of providing equal opportunity to all qualified persons and hereby notifies all proposers that it encourages all proposers to take active race/gender-neutral steps to

include Disadvantaged Business Enterprises in this and other City agreements. Disadvantaged Business Enterprises will be afforded full opportunity to submit in response to this invitation. Proposers will not be discriminated against on the grounds of race, color, religious creed, sex or national origin in consideration for award.

- H. The City reserves the right to modify this RFP at any time. In the event it becomes necessary to modify or revise the RFP, a written amendment or addenda issued by City's Department of Finance is the only method which should be relied on with respect to changes to the RFP. Proposer is responsible to contact the City's Proposal Contact prior to submitting a proposal to determine if any amendments were made to the RFP. Documents, amendments, addenda, etc. will be posted to the City website at <http://www.madera.gov/purchasing> under Bid Announcement and Results.
- I. Proposals will be evaluated by the City. If a proposal is found to be incomplete or not in compliance with the format required, it will not be considered for further evaluation. During the evaluation process, the City may find it beneficial to request additional information.
- J. Any proposal may be withdrawn at any time prior to the filing deadline, provided that a request in writing executed by the proposer or his/her duly authorized representative, for the withdrawal of such proposal is filed with the City's Department of Finance. The withdrawal of a proposal shall not prejudice the right of a proposer to file a new proposal prior to the time and date set for the opening. After the expiration of the time and date for receipt of proposals, a proposal may not be withdrawn or altered.
- K. Issuance of the RFP and receipt of proposals does not commit the City to award an agreement. The City reserves the right to postpone the RFP process for its own convenience, to accept or reject any or all proposals received in response to this RFP, to negotiate with other than the selected company should negotiations with the selected company be terminated, or to cancel any section of this RFP. The City also reserves the right to apportion the award among more than one proposer.
- L. An award under this RFP will not be based solely on the lowest price. If an award is made, it will go to the proposer(s) with the best overall submittal. The successful submittal will be competitively priced and provide for quality service to meet the City's needs. An award will be made as soon as possible after the completion of the evaluation process. Proposals shall remain valid for at least ninety (90) days after the filing deadline.
- M. A committee will review and evaluate all qualified proposals. The committee may request an interview with the top-rated companies. A reference check may also be conducted.
- N. Proposer's Proprietary information: All documents provided by the successful proposer shall become public record.
- O. The successful proposer shall enter into a formal Agreement with City, subject to approval of the City Council at a scheduled public meeting.

### 3. BACKGROUND

The City of Madera incorporated in 1907 and operates under the City Council/City Manager form of government. At this point in time, the City has 235 benefit eligible employees, with 187 actively enrolled in medical/dental/vision benefits. The City also currently has 11 early retirees who purchase the City's health benefits. The City does not allow participation of retirees who are Medicare eligible. The City's current health and wellness benefits include:

- Medical, primary (Blue Shield)
- Medical, secondary (City of Madera self-funded deductible plan, administered by Administrative Solutions Inc.)
- Dental (Ameritas)
- Vision (Superior)
- Life/LTD/Voluntary Life (Lincoln Financial)
- Section 125: Medical & Childcare (administered by Administrative Solutions Inc.)
- Online enrollment and file feed management for Medical, Dental, Vision, Life, LTD, and Section 125 benefits (myworkplace.net, currently provided through the City's existing broker of record)
- Employee Assistance Program (Halcyon)
- Supplemental Disability, Accident, Cancer, and Life (Colonial)

### 4. SCOPE OF WORK

The City is seeking to name a Broker of Record for the City's employee insurance benefits. The City is particularly interested in a broker who can offer creative, innovative approaches with a proven track record that allows the City to maintain quality programs and contain or reduce costs.

The selected broker will perform a full range of benefit program services related to the acquisition, implementation, maintenance, communication and improvement of the City's employee health and welfare insurance benefits. The selected broker shall provide services, including, but not limited to, the following types of coverage/benefits: medical, dental, vision, life, long term disability, cafeteria plan, and supplemental insurance.

#### A. Analysis and Reporting

1. Analyze existing coverage and identify or develop cost-saving alternative benefit strategies and plans.
2. Assist in the development of long-range goals and strategies, including making projections of potential savings.
3. Provide analysis and recommendations based on utilization and performance reports, statistical and/or financial reports, and plan specific data.
4. Assist the City in monitoring and analyzing experience trends and providing timely alerts on changing patterns and appropriate recommendations.
5. Provide financial and/or performance reviews of self-funded and fully insured plans and programs.
6. Be available to provide various types of reports as needed, such as cost analysis for benefit changes, and other statistical, financial, forecasting, trend, labor negotiations or experience reports.
7. Regularly monitor and evaluate performance measures and guarantees for providers.

8. Maintain full and accurate records with respect to all matters and services provided on behalf of the City's benefit plans and programs. Provide City staff or officials all spreadsheets, assumptions, and calculations upon completion of any project performed on behalf of the City's benefit plans and programs.
- B. Liaison and Problem Intervention
1. Act as liaison between the City and insurance providers.
  2. Provide consultation on plan interpretation and problem resolution.
  3. Provide timely customer service and assistance to staff regarding enrollment, issues involving provider billing, claims, vendor service issues/problems, advocacy for services, disputes, interpretation of contracts and services, changes and general troubleshooting.
  4. Act as an advocate or ombudsman in appeal, arbitration or court process between the City and the providers on unresolved issues if needed; provide advice when needed to enforce City, employee, retiree or their dependents' rights.
  5. Assist the City in proactive mitigation of negative impacts or disruption of services to employees and retirees from benefit and/or provider network changes.
- C. Compliance
1. Assist with ongoing plan administration and ensure that programs are in compliance with State and Federal legislation and regulations.
  2. Provide training to City staff, as needed, regarding regulatory updates and/or best practice seminars for the effective administration of benefit plans.
  3. Review and disseminate information to staff on new or revised State and Federal legislation that impacts benefits programs.
  4. Assist City staff with annual audit to ensure compliance with all mandated reporting and posting/notice requirements for benefit plans.
  5. Develop and/or assist in developing communication materials and tools for conducting dependent verification audits.
- D. Annual Renewal Process and Evaluation
1. Establish an annual strategy for benefits. Consider trends, union negotiations, prospective legislation, new delivery systems, and geographic health-care practices.
  2. Review and make cost-saving recommendations regarding the modification of plan design, benefit levels, premiums, communications, and quality of current employee and retiree benefit plans.
  3. Recommend appropriate premium rates and reserves to maintain the viability of the plans to ensure that quality and cost-effective benefits are provided by the plans.
  4. Provide estimates of renewal rates and cost trends and assist City staff in preparation of budget figures in January of each year.
  5. Conduct thorough and applicable market research in preparation for contract renewals.
  6. Represent the City in all negotiations with providers on various topics, including, but not limited to, premiums, benefit levels and plan design, performance measures and guarantees, contractual terms and conditions, and quality assurance standards.
  7. Make recommendations for items of negotiation with providers, including, but not limited to, benefit levels and plan design, premiums, quality of service, performance measures and guarantees, and return on investment, where applicable.
  8. Prepare specifications and compile data, obtain quotes and proposals, negotiate rates and analyze and compare proposals.

9. Review rate proposals to ensure underlying assumptions are appropriate and accurate to the City.
  10. Provide the City with renewal information that provides clear and accurate information relative to proposed plan designs and premiums; all carrier documentation must be provided as back-up. Any plan design differences between renewal proposals and existing plans should be noted in a clear and concise manner.
  11. Provide communication development and support for the annual open enrollment period, new benefit offerings and/or changes to the existing benefits offerings.
  12. Attendance at and assistance with coordination of the annual Benefits Fair (1 day event) and Health Benefits Committee meetings (up to 2-3 meetings during the renewal period).
- E. Other Service Requirements
1. Recommend and help develop enhancements and improvements for communications specific to the needs of the City's employees and retirees, including, but not limited to, brochures, pamphlets, matrices, comparison charts, summaries, electronic communications, forms, employee handbooks and employee orientation.
  2. Provide timely research and responses to technical questions posed by City staff.
  3. Provide regular and timely communications needed for the effective administration of benefit plans.
  4. Provide guidance and recommendations on items such as, but not limited to, trends in benefits plans, methods for improving cost containment, financial arrangements and administration.
  5. Provide access to published benefit-related survey information.
  6. Identify and recommend training opportunities and educational forums that would be beneficial to the City.
  7. Develop and/or assist in developing and evaluating employee/retiree needs and satisfaction surveys.
  8. Work collaboratively with other consultants and City staff.
  9. Manage plan transitions as necessary.
  10. Review and evaluate current administrative processes related to enrollment and billing. Recommend and assist with implementation of administrative process enhancements.
  11. Be available for assistance during normal business hours, defined as Monday through Friday from 8:00 a.m. – 5:00 p.m. excluding national holidays.

## **5. PROPOSAL FORMAT AND CONTENT**

- A. Overall Presentation  
Proposals must be submitted electronically. Proposals must be typed and neatly presented; proposals should focus on the specific information requested herein. All content must pertain to the requirements of this RFP.
- B. Title Page  
The proposal must have a title page which indicates the name of the company, principal business address, name of the proposal, and the date of the proposal.
- C. Table of Contents  
The proposal must contain an interactive table of contents, or similar navigation tool, listing major topics and relevant page numbers.

D. Transmittal Letter

The proposal must include a transmittal letter that states the company's objective, why the company should be selected, the company's commitment to the City of Madera, the unique aspects of the proposal, and must be signed by a person who is duly authorized to bind the company to an agreement.

E. Company Profile

In this section, please describe your organization, identify key personnel to be assigned to the City, including name, title, telephone number(s), and experience; and describe your company's experience in providing similar services to other public agencies. Please also provide information relating to your broker licensing.

F. Proposed Method of Performance

Please describe the specific services you are proposing to the City of Madera to meet the scope of work as outlined. Please do not reiterate the scope of work; your response should focus on how the services will be provided. Please include specific information on the following, in addition to any other pertinent information you feel should be considered:

1. Your approach and methodology for plan renewal
2. How you ensure that your local government clients receive services that are appropriate for their unique needs
3. How you stay abreast of changes in healthcare law/reform and how that information is communicated to your clients
4. How you cultivate and maintain relationships with your clients
5. How you cultivate and maintain relationships with plan carriers
6. Provide at least one example of how your firm has assisted an existing client design and implement plan changes to the financial benefit of the employer
7. Provide examples of employee communications your firm has authored for clients regarding plan renewal or plan transition

G. Cost Outline

The City intends to enter into a direct fee type agreement, as opposed to a commission-based arrangement. Please provide your proposed fee schedule and payment provisions expected. The fee schedule should provide a cost outline for specific services to be provided as requested in this RFP and any other services your firm provides that you feel may be beneficial to the City of Madera.

H. Equal Opportunity Employer Status

Please provide a statement as to whether your organization meets state and federal standards regarding equal opportunity employment laws and regulations. Also provide information as to whether there is any current litigation pending alleging a violation of state or federal fair employment provisions.

I. Proof of Insurance

The proposal must include the name of the consultant's insurance carrier, the policy coverages and limits, and expiration dates. The policy requirements and limits can be found in Exhibit A: Health and Welfare Insurance Broker/Consulting Services Sample Agreement.

J. City of Madera Business License Status

Prior to beginning any work, the bidder shall secure the appropriate Business License from the City of Madera. Business license information may be obtained by calling (559) 661-5408. Should the bidder already have his/her license, please include a copy with your submittal.

K. References

Please provide the company name, contact person, and telephone number for at least three current customers that the City may contact regarding your company's services. Also, provide the same information for at least two previous customers with whom your company is no longer doing business that the City may contact.

L. Sample Agreement

A sample agreement is provided with this RFP as Exhibit A. Please indicate any changes or modifications you would require to the agreement should you be selected as the consultant of choice.

## 6. EVALUATION/SELECTION OF CONSULTANT

A. Review of Proposals

- a. An evaluation team will be assembled by the City. Each evaluator will rank all proposals received that are deemed responsible and responsive. The evaluation team will then convene to review and discuss the proposals. Overall ranking will be determined by the evaluation team through consensus.
- b. An award under this RFP will not be based solely on the price. If an award is made, it will go to the proposer with the best overall proposal that provides the "Best Value" to the City and its residents. The successful proposal will be competitively priced and provide for quality service to meet the City's needs.

- B. The City reserves the right to act in the best interest of the City and its residents and businesses, including the right to reject a proposal that is given the highest quantitative scoring in the evaluation process if the proposal is not in the best interest of its residents and businesses.

## 7. NEGOTIATION

The City of Madera shall reserve the right to negotiate any terms and conditions of the proposals received with the final candidate prior to acceptance/rejection of said proposals. Upon determination of the highest ranked Bidder, staff will commence negotiations with the firm that received the highest ranking. The negotiations will be conducted in accordance with City of Madera policies and procedures. When negotiations are successfully concluded, staff will present their recommendation to the City Council. |

**CITY OF MADERA**

**HEALTH AND WELFARE INSURANCE BROKER/CONSULTING SERVICES SAMPLE AGREEMENT**

THIS AGREEMENT made and entered into the \_\_\_ day of \_\_\_\_\_, 20\_\_\_, by and between the CITY OF MADERA, a municipal corporation of the State of California, hereinafter called "City" AND \_\_\_\_\_, hereinafter called "Consultant";

**RECITALS:**

- A. The City desires to make available to its employees comprehensive health and welfare insurance benefits in an efficient and economical manner.
- B. Consultant is a firm having the necessary experience and qualifications to provide health and welfare insurance consultation services the City.
- C. City desires to retain Consultant to provide said service.

**AGREEMENT**

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants and agreements herein contained, it is agreed by and between the City and the Consultant as follows:

1. Services. The City hereby employs Consultant to provide health and welfare insurance broker and consulting services herein set forth at the compensation and upon the terms and conditions herein expressed, and Consultant hereby agrees to perform such services for said compensation, and upon said terms and conditions. City hereby authorizes Consultant to commence work on \_\_\_\_\_.

2. Obligations, duties and responsibilities of Consultant. It shall be the duty, obligation and responsibility of the Consultant, in a skilled and professional manner, to perform the consulting services in accordance with Exhibit 1: Scope of Work.

3. Consultant's fees and compensation: amount, how and when payable.

3.1 [Insert Fee Schedule]

3.2 Billings are to be made directly to the following address:

City of Madera Human Resources Department  
Attn: Diana Rosas  
205 W. 4<sup>th</sup> Street  
Madera, CA 93637

3.3 Consultant will fully disclose to the City all commission revenue, including any

contingent compensation it may receive related to the services that are the subject of this Agreement. At the end of each plan year (June 30), consultant will provide the City with a report showing its total compensation including fees paid by City and any commission(s) received. Total compensation for services that are the subject of this Agreement may not exceed the Fee Schedule noted above. Consultant shall reimburse the City an amount equivalent to any commission(s) received within 30 days of reporting the commission to the City pursuant to the terms of this section.

3.4 Billing shall be made [monthly/quarterly/bi-annually/annually] by Consultant. The billing statements shall be prepared and organized in a manner that facilitates an efficient review of the services performed, inclusive of information required by section 3.3, above. The City shall make its best effort to process payments promptly and not later than 30 days after receiving Consultant's billing statement.

4. Term of agreement.

4.1 This Agreement shall be effective on \_\_\_\_\_, 20\_\_\_\_ for a period of three (3) years, with the option to extend annually thereafter by written mutual consent, not to exceed two (2) additional years.

4.2 City reserves the right to discharge Consultant and terminate this Agreement at any time. In the event of such discharge or termination, the City shall compensate Consultant for services rendered up to and including the date of termination. City shall terminate services and/or the Agreement by delivering to Consultant a written notice specifying the extent to which services and/or the Agreement are terminated and the effective date of the termination. Notice of termination shall be emailed as follows:

[Consultant contact name/title]  
[Consultant contact email]

5. Consultant's agreement to hold harmless and insurance requirements.

5.1 Indemnification and Waivers. Consultant shall indemnify, defend, and hold harmless the City, its officers, employees, agents and volunteers ("City indemnitees"), from and against any and all causes of action, claims, liabilities, obligations, judgments, or damages, including reasonable legal counsels' fees and costs of litigation ("claims"), arising out of the Consultant's performance of its obligations under this agreement or out of the operations conducted by Consultant, except for such loss or damage arising from the sole negligence or willful misconduct of the City. In the event the City indemnitees are made a party to any action, lawsuit, or other adversarial proceeding arising from Consultant's performance of this agreement, the Consultant shall provide a defense to the City indemnitees, or at the City's option, reimburse the City indemnitees their costs of defense, including reasonable legal counsels' fees, incurred in defense of such claims.

5.2 Insurance. During the term of this Agreement, Consultant shall maintain, keep in force and pay all premiums required to maintain and keep in force general liability, workers' compensation, automobile liability, and professional liability insurance. The limits and nature of such policies shall be as required in Exhibit 2 of this Agreement.

6. Independent contractor. In performance of the work, duties and obligations assumed by Consultant under this Agreement, it is mutually understood and agreed that Consultant, including any and all of Consultant's officers, agents, and employees, will at all times be acting and performing as an independent contractor, and shall act in an independent capacity and not as servant, employee, agent, partner, or associate of City. Because of its status as an independent contractor, Consultant and its employees shall have absolutely no right to employment rights and benefits available to City employees. Consultant shall be solely liable and responsible for providing to, or on behalf of, its employees all legally-required employee benefits. In addition, Consultant shall be solely responsible and hold City harmless from all matters related to payment of Consultant's employees, including compliance with social security, withholding, and all other regulations governing such matters.

7. Compliance with Law. Consultant shall comply with all applicable Federal, State and local laws, rules, regulations, ordinances, and directives, and all provisions required to be included are incorporated by reference.

8. Miscellaneous.

8.1 Consent. Whenever in this Agreement the approval or consent of a party is required, such approval or consent shall be in writing and shall be executed by a person having the express authority to grant such approval or consent.

8.2 Governing Law. The parties agree that this Agreement shall be governed and constructed by and in accordance with the Laws of the State of California.

8.3 Required License and Professional Credentials. Consultant and personnel providing services shall maintain all licenses and professional credentials necessary for the provision of such services. Consultant shall promptly notify City of changes of status or events that might impact the provision of professional services to City.

8.4 Force Majeure. Neither party shall be deemed to be in default on account of any delay or failure to perform its obligations under this Agreement, which directly results from an Act of God or an act of a superior governmental authority.

8.5 Headings. The paragraph headings are not a part of this Agreement and shall have no effect upon the construction or interpretation of any part of this Agreement.

8.6 Incorporation of Documents. All documents constituting the Agreement documents and all documents which may, from time to time, be referred to in any duly executed amendment hereto are by such reference incorporated in the Agreement and shall be deemed to be part of this Agreement.

8.7 Integration. This Agreement and any amendments hereto between the parties constitute the entire Agreement between the parties. There are no other prior oral or written agreements between the parties that are not incorporated in this Agreement.

8.8 Modification of Agreement. This Agreement shall not be modified or be binding upon the parties unless such modification is agreed to in writing and signed by the parties.

**Exhibit A**

8.9 Provision. Any agreement, covenant, condition, clause, qualification, restriction, reservation, term or other stipulation in the Agreement shall define or otherwise control, establish or limit the performance required or permitted or to be required of or permitted by either party. All provisions, whether covenants or conditions, shall be deemed to be both covenants and conditions.

8.10 Severability. If a court of competent jurisdiction finds or rules that any provision of this Agreement is void or unenforceable, the provisions of this Agreement not so affected shall remain in full force and effect.

8.11 Successors and Assigns. The provisions of this Agreement shall inure to the benefit of, and shall apply to and bind, the successors and assigns of the parties.

8.12 Venue. In the event that suit is brought by either party hereunder, the parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Madera or in the United States District Court for the Eastern District of California.

8.13 Recovery of Costs. The prevailing party in any action brought to enforce the terms of this Agreement or arising out of this Agreement may recover its reasonable costs, including reasonable attorney’s fees, incurred or expended in connection with such action against the non-prevailing party.

9. Signatures. The individuals executing this Agreement represent and warrant that they have the right, power, legal capacity, and authority to enter into and to execute this Agreement on behalf of the respective legal entities of the Consultant and the City.

**[CONSULTANT]**

**CITY OF MADERA**

\_\_\_\_\_  
[Name, Title]

\_\_\_\_\_  
Andrew J. Medellin, Mayor

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**ATTEST**

**APPROVED AS TO FORM**

\_\_\_\_\_  
Alicia Gonzales, City Clerk

\_\_\_\_\_  
Hilda Cantú Montoy, City Attorney

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**Exhibit 1: Scope of Work**

To be determined...

## Exhibit 2: Insurance Requirements for Consultants

Without limiting Consultant's indemnification of City, and prior to commencement of Work, Consultant shall obtain, provide, and continuously maintain at its own expense during the term of the Agreement, and shall require any and all Subcontractors and Subconsultants of every Tier to obtain and maintain, policies of insurance of the type and amounts described below and in form satisfactory to the City.

### *Minimum Scope and Limits of Insurance*

Consultant shall maintain limits no less than:

- **\$2,000,000 General Liability** (including operations, products and completed operations) per occurrence, \$4,000,000 general aggregate, for bodily injury, personal injury and property damage, including without limitation, blanket contractual liability. Coverage shall be at least as broad as Insurance Services Office (ISO) Commercial General Liability coverage form CG 00 01. General liability policies shall be endorsed using ISO form CG 20 10 that the City and its officers, officials, employees and agents shall be additional insureds under such policies.
- **\$2,000,000 Automobile Liability** combined single limit per accident for bodily injury or property damage at least as broad as ISO Form CA 00 01 for all activities of Consultant arising out of or in connection with Work to be performed under this Agreement, including coverage for any owned, hired, non-owned or rented vehicles. Automobile Liability policies shall be endorsed to provide that the City and its officers, officials, employees and agents shall be additional insureds under such policies.
- **Worker's Compensation** as required by the State of California and **\$1,000,000 Employer's Liability** per accident for bodily injury or disease. Consultant shall submit to the City, along with the certificate of insurance, a Waiver of Subrogation endorsement in favor of the City, its officers, agents, employees, and volunteers.
- **\$1,000,000 Professional Liability (Errors & Omissions)** per claim and in the aggregate. Consultant shall maintain professional liability insurance that insures against professional errors and omission that may be made in performing the Services to be rendered in connection with this Agreement. Any policy inception date, continuity date, or retroactive date must be before the effective date of this Agreement, and Consultant agrees to maintain continuous coverage through a period no less than three years after completion of the services required by this Agreement. The cost of such insurance shall be included in Consultant's bid.

### *Maintenance of Coverage*

Consultant shall procure and maintain, for the duration of the contract, insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the Work hereunder by Consultant, its agents, representatives, employees, subcontractors or subconsultants as specified in this Agreement.

### *Proof of Insurance*

Consultant shall provide to the City certificates of insurance and endorsements, as required, as evidence of the insurance coverage required herein, along with a waiver of subrogation endorsement for workers' compensation. Insurance certificates and endorsements must be approved by the City prior to commencement of performance. Current evidence of insurance shall be kept on file with the City at all times during the term of this Agreement. Agency reserves the right to require complete, certified copies of all required insurance policies, at any time.

*Acceptable Insurers*

All insurance policies shall be issued by an insurance company currently authorized by the Insurance commissioner to transact business of insurance in the State of California, with an assigned policyholders' Rating of A- (or higher) and a Financial Size Category Class VII (or larger), in accordance with the latest edition of Best's Key Rating Guide.

*Waiver of Subrogation*

All insurance coverage maintained or procured pursuant to this agreement shall be endorsed to waive subrogation against the City, its elected or appointed officers, agents, officials, employees, and volunteers, or shall specifically allow Consultant, or others providing insurance evidence in compliance with these specifications, to waive their right of recovery prior to a loss. Consultant hereby waives its own right of recovery against the City and shall require similar written express waivers and insurance clauses from each of its subconsultants or subcontractors.

*Enforcement of Contract Provisions (non estoppel)*

Consultant acknowledges and agrees that any actual or alleged failure on the part of the Agency to inform Consultant of non-compliance with any requirement imposes no additional obligations on the City, nor does it waive any rights hereunder.

*Specifications not Limiting*

Requirements of specific coverage features or limits contained in this Section are not intended as a limitation on coverage, limits or other requirements, or a waiver of any coverage normally provided by any insurance. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue and is not intended by any party or insured to be all inclusive, or to the exclusion of other coverage, or a waiver of any type. If Consultant maintains higher limits than the minimums required above, the entity shall be entitled to coverage at the higher limits maintained by Consultant.

*Notice of Cancellation*

Consultant agrees to oblige its insurance agent or broker and insurers to provide to the City with thirty (30) calendar days notice of cancellation (except for nonpayment for which ten (10) calendar days notice is required) or nonrenewal of coverage for each required coverage.

*Self-insured Retentions*

Any self-insured retentions must be declared to and approved by the City. The City reserves the right to require that self-insured retentions be eliminated, lowered or replaced by a deductible. Self-insurance will not be considered to comply with these specifications unless approved by the City's Risk Manager.

*Timely Notice of Claims*

Consultant shall give the City prompt and timely notice of claims made or suits instituted that arise out of or result from Consultant's performance under this Agreement, and that involve or may involve coverage under any of the required liability policies.

*Additional Insurance*

Consultant shall also procure and maintain, at its own cost and expense, any additional kinds of insurance, which in its own judgement may be necessary for its proper protection and prosecution of the Work.