



REQUEST FOR PROPOSALS (RFP)

Employee Benefits and Insurance Services

<u>Issued</u> March 23, 2015 <u>Due</u> April 30, 2015

The Village of Oak Park ("the Village") is requesting qualifications to identify vendors to assure that it is receiving the optimum level of services at a competitive price.

Responses shall be returned on or before April 30, 2015 at 5:00 PM to:

Village of Oak Park Human Resources Department Attn: RFP-HR-2015- Employee Benefits 123 Madison Street Oak Park, IL 60302

SE CTION I. INSTRUCTIONS AND SPECIFICATIONS

The Village of Oak Park is requesting proposals from qualified employee benefits consulting firms to provide an evaluation of the Village's existing employee benefit plans, including health, dental, vision, life, and prescription drug benefits and to recommend the most cost-effective method of providing those employee benefits. The consultant will also be asked to make recommendations concerning supplemental insurance and/or other benefit programs related to the Village's S125 Cafeteria Plan, Family Medical Leave Act (FMLA) administration and COBRA administration. Service delivery models for consideration include, but are not limited to, brokerage services, membership in multi-jurisdictional pools, and/or direct relationships with an insurance carrier or carriers. The Village of Oak Park will receive proposals at the Human Resources Department, Monday through Friday, 8:30 a.m. to 5:00 p.m., at 123 Madison, Oak Park, Illinois 60302. Proposals will be accepted until 5:00 p.m. (local time) on April 30, 2015. Firms responding to this Request for Proposals must submit seven (7) copies of their proposals in sealed envelopes, and must conform to the format specified below.

The Village Board of Trustees reserves the right to accept or reject any and all proposals or to waive technicalities. Information concerning this request for proposals is available from Kimberly Shamley, Human Resources Director, 123 W. Madison, Oak Park, Illinois 60302. Ms. Shamley can be reached by telephone at the following number, (708) 358-5652, or via e-mail at kshamley@oak-park.us.

The documents constituting this request for proposals are listed below. Respondents are responsible for the completion of Sections II through VIII, in their entirety and in the order presented below. Missing information or proposals that are deemed by the Village to be incomplete will not be considered for award.

- I INSTRUCTIONS AND SPECIFICATIONS
- II BACKGROUND INFORMATION
- III AWARD OF CONTRACT
- IV DETAILED SPECIFICATIONS
- V PROPOSAL FORM
- VI COMPLIANCE AFFIDAVIT
- VII ORGANIZATION OF PROPOSING FIRM
- VIII E.E.O. REPORT
- IX CONSULTANT SERVICES AGREEMENT FORM

Upon formal award to the successful Service Provider, an agreement will be executed for the performance of services and payment of agreed-upon fees.

Below is a tentative schedule for the request for proposal, evaluation of responses, selection and approval of a preferred firm or firms ("Service Providers"), and implementation of insurance benefits:

Proposals due to Human Resources Department
Proposals reviewed and identification of preferred firm(s)
Recommendation to Village Manager of preferred firm(s)
Presentations by preferred firm(s) (tent)
Negotiation with preferred firm(s) (tent)
Village Board approval of insurance broker agreement(s) (tent)
Execution of insurance/benefit implementation work plan
Open Enrollment Period
Insurance/benefit changes effective
Effective date of insurance benefits

April 30, 2015 May 1 - 8, 2015 May 11, 2015 May 18-20, 2015 May 21-22, 2015 June 1, 2015 June 8 - October 1, 2015 November 13 - 25, 2015 January 1, 2016 January 1, 2016

SECTION II. BACKGROUND INFORMATION

The Village of Oak Park is a full-service municipal corporation located in Cook County, Illinois. The Village employs approximately 365 full-time employees, all of whom are eligible for insurance benefits that include health, dental and life insurance, and an additional 15 part-time employees eligible for term life insurance coverage. The health insurance plans described below also include prescription drug and vision benefits. Of the 365 full time employees, approximately 270 are in one of eight collective bargaining units ranging from two members to ninety members. Insurance is considered a mandatory subject for collective bargaining purposes meaning that the Village and respective collective bargaining units (unions) representing the 270 employees are required to bargain such benefits. The Village also provides retirees with the option to retain their Village health insurance at their own cost; 137 Village retirees currently receive health insurance. In addition to employees of the Village of Oak Park, the Village offers approximately 110 full-time employees of three "partner agencies" participation in the health, dental and life insurance programs and health and dental insurance for former employees under COBRA. Currently, there are approximately 1,350 total covered lives in the Village insurance plan. Participants choose from the health maintenance organization (HMO) or preferred provider organization (PPO) plans described below for health and dental insurance. Employees eligible to receive life insurance may elect supplemental life and accidental death and dismemberment (AD&D) coverage for themselves, their spouse and/or dependents at their own cost. The Village conducts an annual open enrollment in November for employees and retirees to change plans and coverage.

The Human Resources Director is responsible to perform necessary duties in the administration of insurance plans for Village employees and retirees with approval of the Board of Trustees per the Village of Oak Park Village Code. The Human Resources Department administers the Village insurance program and related benefits for employees, retirees, employees of "partner agencies" and COBRA participants. The Village of Oak Park health insurance and prescription drug plans are self-funded including premiums paid for aggregate and specific stop-loss insurance. The 2015 Village budget for the entire insurance and benefit program is \$7,576,740.

A. Current Providers and Basic Benefits

Health Insurance: The Village offers four health insurance plans through Blue Cross/Blue Shield of
Illinois: a preferred provider option (PPO), a high-deductible preferred provider option (PPO Legacy),
and two health maintenance options (HMO Illinois and HMO Blue Advantage). In addition,
employees may forego health insurance upon proof of coverage in a non-Village program and receive
payment as indicated below based on the coverage they would otherwise select. Average monthly
claim activity for PY2014 was \$585.340.

	BLUE C	INSURA	IIELD OF ILLINOIS NCE PLANS thly Premiums	VILLAGE "OPT-OUT" PROGRAM	DELTA I INSURANO 2012 Month	CE PLANS	
COVERAGE	Preferred Provider Option (PPO)	High Deductible PPO (PPO Legacy)	Health Maintenance Option (HMO-Illinois) Health Maintenance Option (HMO-Blue Advantage)		Monthly Cash Payments Based on Level of Coverage	PPO PLUS (HIGH) PLAN	PPO PLUS (LOW) PLAN
Single	\$794.54	\$696.39	\$665.79	\$607.39	\$ 75 (single)	\$37.78	\$28.59
Single + 1	\$1,541.50	\$1,342.08	\$1,299.46	\$1,179.75	\$125 (dependent)		
Family	\$2,219.93	\$1,931.31	\$1,871.87	\$1,699.54	\$200 (family)	\$108.46	\$81.76

MUTUAL OF
OMAHA LIFE
INSURANCE
DI ANG
Basic Life
Insurance
\$0.120/
\$1,000.00
Basic AD&D Insurance \$0.020/ \$1,000.00

- Catamaran Prescription Plan 465 health insurance participants are on a three-tier co-pay of \$10, \$30, or \$50 based on type and brand of prescription. Average claims processed monthly for PY2014 was \$131,277.
- Participation in a Section 125 Cafeteria Plan (pre-tax payment for IRS-eligible expenses)
- Vision benefits are paid for exclusively by employees.

- Dental benefits are paid for exclusively by employees except for a small group of fire and police employees who have elected the PPO Plus (Low) plan who receive a modest subsidy on dental premiums.
- Term life insurance is offered by Mutual of Omaha that includes basic employer-paid term life insurance and accidental death & dismemberment (AD&D) coverage in amounts ranging from \$1,500 to \$320,000.

SECTION III. AWARD OF CONTRACT

A. Contract Term

The Village anticipates awarding an initial minimum contract for two years, after which the Village will have the right to renew for an additional one year period of time. The annual contract period for broker services commences on July 1 and ends June 30 while the contract period for insurance and related benefits commences January 1 and ends December 31.

B. Authorization

Any agreement with a selected Service Provider must be reviewed and approved by the Village Attorney, approved and authorized by the Village of Oak Park Board of Trustees, and executed by the Village Manager. The Service Provider is advised that Village staff, other than the Village Manager, have no authority to sign agreements or modify existing agreements on behalf of the Village and that any such agreements are null and void. The agreement shall be in substantially the form of the Consultant Services Agreement attached hereto.

C. Payments

All invoices will be paid within 30 days of approval. Charges for late payments must be in accordance with the Local Government Prompt Payment Act, 50 ILCS 505/1, requiring a maximum interest penalty of 1% per month or portion thereof.

D. Termination for Non-appropriation of Funds

The Village reserves the right to terminate any multi-year agreement if the Village of Oak Park Board of Trustees fails to appropriate funds for this purpose in any subsequent fiscal year. All funds for payments after December 31st of the current fiscal year are subject to Village of Oak Park's appropriation for this purpose.

E. Service Provider Personnel Assigned to the Village of Oak Park Account(s)

The Village reserves the right to accept or reject any staff designated by the service provider to manage the Village of Oak Park account(s). If no suitable replacement staff is provided, the Village reserves the right to terminate the contract.

F. Ownership of Data

The Village will remain the owner of its employee and claims data at all times. At the conclusion of the services, the vendor will be required to transfer all employee and claims data back to the Village in a format acceptable to the Village.

G. Confidentiality

The Service Provider shall keep the Village's employee and claims data confidential.

H. Subcontracting

The Service Provider shall not assign or subcontract any portion of the services to be provided without the written approval of the Village of Oak Park. The Service Provider assumes responsibility for performance of all Sub-Contractors, whether or not authorized. In the event of a merger of a service provider with another firm, this contract will be transferable to the successor firm only upon the approval of the Village President and Board of Trustees.

I. Insurance Requirements

The selected Service Provider must purchase and maintain for the length of the agreement and coverage shall be provided as set forth in the attached agreement.

SECTION IV. DETAILED SPECIFICATIONS

All firms interested in providing insurance and/or brokerage services to the Village of Oak Park must provide detailed responses for each of the questions listed below. Be sure to indicate next to your response the question that is being answered. If the answer is contained within any attached marketing material, please indicate **precisely** where the response to the particular question is located.

A. Characteristics and Qualifications of the Firm

- 1. Describe the history and organization of your firm. Include your main business (benefits consulting, actuarial consulting, asset manager, insurance provider, etc.), number of employees, number of offices, locations and financial information.
- 2. Describe the office that will be designated to serve the Village's program and the services available at that office. If your firm intends to utilize other offices, describe the services they would provide for this account.
- 3. Name the principal and other key personnel who will be fully responsible for the account. Provide a resume or statement of professional qualifications, related educational background and professional certifications of the personnel assigned to this account. Also, list each person's title as it is conveyed professionally within the firm, and their particular area of expertise.
- 4. Attach a summary of the firm's premium volume for the past three years for employee group medical insurance coverage that includes dental and prescription plans if applicable.
- 5. Provide a copy of your firm's current financial statement.
- 6. Indicate if insurance coverage can be effective by January 1, 2016 if your firm was selected and approved by the President and Board of Trustees on or around June 1, 2015.

B. Conceptual Strategy

- 1. Review existing health insurance and related programs and conduct a risk analysis. Make recommendations for changes in plan provisions, alternate service delivery systems, financing alternatives, employee contributions, and other areas, as appropriate.
- Describe your conceptual plan for the Village's health insurance and related benefit program.
 Include general coverage terms, exclusions, market capacity and constraints, risk retention or
 appropriate self-insurance levels, approximate premiums, retrospective rating plans and
 deductibles.
- 3. Describe any performance guarantees that your firm will make if awarded a contract with the Village.
- 4. Provide a detailed work plan for implementing new insurance or related benefit programs. The work plan must include a list of all tasks to be performed, the party responsible for accomplishing the task, the date on which the task needs to be accomplished in light of the January 1, 2016 implementation date cited above in #A6.
- 5. The Village of Oak Park's benefits, human resources and payroll administration is currently maintained and executed using ADP. Describe your experience working with ADP benefit, human resources and payroll applications.
- 6. Describe any web-based or internet interfaces or access means Village staff will have to third party administrators or insurance carriers for purposes of enrolling, terminating or checking on the status of employees' benefit elections.
- 7. Describe your firm's experience conducting employee orientation and education sessions. Describe your plan for conducting such sessions with Village employees

C. Insurance Marketing Services

- 1. List the major insurance companies your firm has strong relationships with related to employee group medical insurance coverage.
- 2. Describe your access to the licensed, excess or surplus lines markets.
- 3. Describe the insurance marketing expertise of your servicing office and the firm with respect to municipalities and particularly those that are highly unionized as the Village of Oak Park.
- 4. .Describe as well as submit information concerning the firm's access to specialized technical expertise to assist in identifying and analyzing problems in various areas. It is not essential that such expertise be "in-house"; the important point is for the firm to be able to demonstrate that it knows how to or can obtain such technical assistance when it is required.

D. Service to the Account

- 1. Provide examples of Quarterly Reports and an Annual Report for the Village of Oak Park including, among other relevant information, the complete accounting of fees or commissions earned on the account; a cumulative quarterly and annual premium and loss record; observations on relevant changes in the insurance market or industry and recommendations for potential cost savings for the Village; observations on loss exposures facing the Village and recommendations for minimizing such losses; and insurance policy summaries. If available, please attach a copy of an annual report previously prepared by your firm for a municipality.
- 2. Describe the form and substance of quarterly and annual meetings with the Village including the form and substance of meetings you conduct with major insurance carriers to discuss Village plans.
- 3. Describe the range of the claims management services provided by the servicing office and your firm.
- 4. Describe your business management information systems to provide and maintain the Village's loss information. Provide examples of tables, charts, reports, graphical presentations or any other medium you use for conveying information.
- 5. Describe your ability to produce an annual "benefits statement" to all employees that describes all employee insurance benefits as well as additional benefits provided by the Village. A list of Village benefits and pertinent data will be provided to the firm to supplement insurance benefit information. Such statements shall include a benefit description of each benefit, the dollar value of each benefit to the employee, how the value calculated, when the benefit is realized, and the party responsible for achieving or providing the benefit.

E. Risk Evaluation and Control

- 1. Describe any exposure identification and evaluation assistance that is contemplated in your brokerage service to the Village.
- 2. .Indicate any training, education or other technical or employee services available from your firm and the servicing office, as well as the frequency with which such services are available.
- 3. .Describe your capacity, ability and experience offering corporate wellness programs to promote healthy lifestyles and reduce exposure to long-term health costs resulting from chronic or episodic conditions.

F. Reference List

- 1. Provide evidence of the firm's experience in providing service for other unionized municipalities with coverage or programs comparable to the Village of Oak Park, as well as a description of any underwriting procedures or special plans which have been used to service other accounts.
- 2. List other accounts the firm has served and indicate whether the Village of Oak Park may independently contact such accounts for an appraisal of comparable services they have received from your firm.
- 3. List the municipalities or public entitles your firm has served, and the degree to which they are (were) unionized. Describe the method or process by which changes were made in different unions.

G. Fee Structure

- 1. Describe the method(s) by which your firm is compensated, such as fees, commissions or a combination of both. Also, indicate your firm's willingness to work on a fee basis.
- 2. .Submit the hourly billing rates of all personnel to be assigned to the project. This information will be used to negotiate modifications to work contained in the Scope of Work.
- 3. Submit other pricing/cost data necessary to carry out this project, including justification for any data submitted.
- 4. If the firm provides unique or proprietary services, submit a description of such services and the fee including fixed price and/or hourly billing rates.

 Make all fee and pricing proposals on Section V, Proposal Form.

SECTION V. PROPOSAL FORM

The undersigned proposes to furnish, Village of Oak Park, Human Resources Department, 123 Madison, Oak Park, IL. 60302, Insurance Services:

ree for Specia	ried work: - Specify below	
		\$
		\$
		\$
Premiums - S	Specify the type of insurance and premium	
		\$
		\$
		\$
Commission(s	s) for Specified Work - Specify below	
		\$
		\$
		\$
Hourly Rate(s) for Specified Work - Specify below	
		\$
		\$
		\$
Other Pricing	- As indicated below	
		\$
		\$
		\$
Proposal Sign	ature:	
_		
State of), County of)	
made on behand says the Specifications	, being first duly sworn on oath detail of such Contractor and that their deponent is authorized to make them, a at deponent has examined and carefully prepared their proposal from and has checked the same in detail before submitting their Proposal; that their are true and correct.	atements herein nd also deposes m the Contract
Signature of Coption.	Contractor authorizes the Village of Oak Park to verify references of business a	nd credit at its
	Contractor shall also be acknowledged before a Notary Public or other person as such acknowledgments.	authorized by
Organization I (Seal - If Corp		

Ву:	Dated:
Authorized Signature	
Address	
	 -
Telephone	E-mail
Subscribed and sworn to before me this	
day of, 2	015.
Notary Public	

SECTION VI. COMPLIANCE AFFIDAVIT

l, _	being first duly sworn on oath depose and state as follows:						
	(Print Name)						
1.	L. I am the (title) c make the statements contained in this affidavit on beha	of the Proposing Firm and am authorized talf of the firm;	to				
2.	The Proposing Firm is organized as indicated on Exhibit Proposing Firm," which Exhibit is incorporated into this A		of				
3.	3. I have examined and carefully prepared this proposal contained in the proposal in detail before submitting it;	and carefully prepared this proposal based on the request and verified the facts roposal in detail before submitting it;					
4.	1. I authorize the Village of Oak Park to verify the Firm's bu	usiness references and credit at its option;					
5.	 Neither the Proposing Firm nor its affiliates¹ are barred a violation of 720 ILCS 5/33E-3 or 33E-4 relating to bid the Oak Park Village Code relating to "Proposing Require 	I rigging and bid rotating, or Section 2-6-12					
6.	5. Neither the Proposing Firm nor its affiliates is barred f because of any delinquency in the payment of any debt taxes which the Proposing Firm is contesting, in accord appropriate revenue act, liability for the tax or the ame false statement regarding delinquency in taxes is a Class contract and allows the Village of Oak Park to recover a the contract in civil action.	ot or tax owed to the Village except for thos dance with the procedures established by th ount of the tax. I understand that making ss A Misdemeanor and, in addition, voids th	se ne a ne				
7.	7. I am familiar with Section 13-3-2 through 13-3-4 of Employment Practices and understand the contents the "Equal Opportunity Employer" as defined by Section 20 States Code Annotated and Federal Executive Orders # herein by reference. Also complete the attached EEO Reference.	ereof; and state that the Proposing Firm is a 000(E) of Chapter 21, Title 42 of the Unite #11246 and #11375 which are incorporate	an ed				
8.	3. All statements made in this application are true and corr	rect.					
	Signature:P	Printed Name					
	Name of Business: Y	our Title:					
	Business Address:						
	(Number, Street, Suite #)	(City, State & Zip)					
	Telephone: Fax:	Web Address:					
	Subscribed to and sworn before me this day	of, 2015.					

Notary Public

¹ Affiliates means: (i) any subsidiary or parent of the bidding or contracting business entity, (ii) any member of the same unitary business group; (iii) any person with any ownership interest or distributive share of the bidding or contracting business entity in excess of 7.5%; (iv) any entity owned or controlled by an executive employee, his or her spouse or minor children of the bidding or contracting business entity.

SECTION VII. ORGANIZATION OF PROPOSING FIRM

(Complete Applicable Paragraph Below)

a)	Corporation: The Service Provider is a corporation, operating under the legal name of							
	and is organized and existing in good standing under the laws of the State of							
	The full names of its Officers are: President							
	Secretary							
	Treasurer							
	The Name and Address of its Registered Agent is:							
	(Name)							
	(Number, Street, Suite #) (City, State & Zip)							
	The corporation has a corporate seal. (In the event that this proposal is executed by a person than the President, attach hereto a certified copy of that section of Corporate By-Laws or authorization by the Corporation that permits the person to execute the offer for the corporation.)							
b)	Partnership: The Service Provider is a Partnership operating under the name							
	The following are the names, addresses and signatures of all partners:							
	Name Address Signature							
	(Attach additional sheets if necessary.) If so, check here							
	If the partnership does business under an assumed name, the assumed name is is registered with the Cook County Clerk and the partnership is otherwise in compliance with the Assumed Business Name Act, 805 ILCS 405/0.01, et.seq.	which						
•	Sole Proprietor: The Service Provider is a Sole Proprietor. If the Vendor does business under an Assumed Name, the Assumed Name is, which is with the Cook County Clerk. The Vendor is otherwise in compliance with the Assumed Business Name 1805 ILCS 405/0.01, et.seq.	s registere ame Act,						
-	Affiliates: The name and address of any affiliated entity of the business, including a description affiliation:	of the						
	The name and address of any affiliated person of the business entity, including a description of the	e						
	affiliation.							
	Signature of Owner							

SECTION VIII. VILLAGE OF OAK PARK EQUAL EMPLOYMENT OPPORTUNITY REPORT

1. Vendor Name:

Please fill out this form completely. Failure to respond truthfully to any questions on this form, failure to complete the form or failure to cooperate fully with further inquiry by the Village of Oak Park will result in disqualification of this proposal. For assistance in completing this form, contact the Finance Department at 708-358-5470. **An EEO-1 Report may be submitted in lieu of this report**

		MBE		WBE		DB	E	No	ne of th	e above			
3.	What is th	ne size of	the firr	n's curre	nt stabl	e work fo	orce?						
				l-time em				Numbe	r of nar	t-time en	nlovees		
									•				
	Similar in the lowes submitted	t respons	sible bio	dder with	the not	ice of co	ntract av	ward, and	I these 1				
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						M	lales			Fen	nales	T	
Job Cat	tegories	Total Employees	Total Males	Total Females	Black	Hispanic	American Indian & Alaskan Native	Asian & Pacific Islander	Black	Hispanic	American Indian & Alaskan Native	Asian & Pacific Islander	Total Minorities
officials &	Managers												
Professio	nals												
Technicia	ans												
Sales Wo	rkers												
Office & (Clerical												
Semi-Ski	lled												
Laborers													
Service V	Vorkers												
TOTAL													
Manager	nent												
Apprention	ces												
This com	pleted and	notarized						be attache ou from co			t of Comp	liance. F	ailure to
				hain	a firet di	ılv eworn	denoses	and says	that ha/	cho ic			
	relied upo	a n.	and that	the above	EEO Re	port info	rmation is	_	accurate	e and is si	(Title o	r Officer) with the i	ntent
that it be	ea ana swa				-								
that it be	ea ana swo												

END OF PROPOSAL

IX. CONSULTANT SERVICES AGREEMENT

THIS	CONSULTANT	SERVICES AGR	EEMENT ("Agreemer	nt") is ente	ered into th	is	
		_, 2015, betwe	,		•			
municipal	corporation	(hereinafter	referred	d to a	as the	"Village")	,	and
		, a		h	ereinafter	referred to) as	the
"Consultant	[").							
				•				
		<u>R I</u>	CITAL	<u>S</u>				
WHE	REAS, the Vil	lage intends to	have p	rofessional	services	performed	by	the

Consultant for broker services for Village employee benefits pursuant to the Consultant's Proposal dated ________, attached hereto and incorporated herein by reference (hereinafter referred to as the "Consultant's Proposal"), the Village's Request for Proposals dated ________, incorporated herein by reference as though fully set forth (hereinafter referred to as the "RFP"), and this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants hereinafter set forth, the parties agree as follows:

1. SERVICES OF THE CONSULTANT AND TERM OF AGREEMENT.

- 1.1. The Consultant shall provide the services set forth in the Consultant's Proposal (hereinafter referred to as the "Services") after receiving written authorization by the Village. The Village shall approve the use of subconsultants by Consultant to perform any of the Services that are the subject of this Agreement.
- 1.2. The Consultant shall submit to the Village all reports, documents, data, and information set forth in Consultant's Proposal in a format customarily used in the industry. The Village shall have the right to require such corrections as may be reasonably necessary to make any required submittal conform to this Agreement. The Consultant shall be responsible for any delay in the Services to be provided pursuant to this Agreement due to the Consultant's failure to provide any required submittal in conformance with this Agreement.
- 1.3. In case of a conflict between provisions of the Consultant's Proposal and the Village's RFP and/or this Agreement, this Agreement and the Village's RFP shall control to the extent of such conflict.
- 1.4. <u>Village Authorized Representative</u>. The Village's Human Resources Director or the Director's designee shall be deemed the Village's authorized representative for purposes of this Agreement, unless applicable law requires action by the Corporate Authorities, and shall have the power and authority to make or grant or do those things, certificates, requests, demands, approvals, consents notices and other actions required that are ministerial in nature or described in this Agreement for and on behalf of the Village and with the effect of binding the Village as limited by this Agreement. The Consultant is entitled to rely on the full power and authority of the person executing this Agreement on behalf of the

Village as having been properly and legally given by the Village. The Village shall have the right to change its authorized representative by providing the Consultant with written notice of such change which notice shall be sent in accordance with Section 17 of this Agreement.

1.5. Consultant's Authorized Representative. In connection with the foregoing and other actions to be taken under this Agreement, the Consultant hereby designates Kathryn Mendes, M.A., as its authorized representative who shall have the power and authority to make or grant or do all things, certificates, requests, demands, approvals, consents, notices and other actions required that are ministerial in nature or described in this Agreement for and on behalf of the Consultant and with the effect of binding the Consultant. The Village is entitled to rely on the full power and authority of the person executing this Agreement on behalf of the Consultant as having been properly and legally given by the Consultant. The Consultant shall have the right to change its Authorized Representative by providing the Village with written notice of such change which notice shall be sent in accordance with Section 17 of this Agreement.

2. <u>COMPENSATION FOR SERVICES</u>.

- 2.1. The Village shall compensate the Consultant for the Services as set forth pursuant to the Consultant's Proposal in an amount not to exceed \$______. The Consultant shall be paid not more frequently than once each month ("Progress Payments"). Payments shall be made within thirty (30) days of receipt by the Village of a pay request/invoice from the Consultant. Payments shall be due and owing by the Village in accordance with the terms and provisions of the Local Government Prompt Payment Act, 50 ILCS 505/1 et seq., except as set forth herein.
- 2.2. The Village may, at any time, by written order, make changes regarding the general scope of this Agreement in the Services to be performed by the Consultant. If such changes cause an increase or decrease in the amount to be paid to Consultant or time required for performance of any Services under this Agreement, whether or not changed by any order, an equitable adjustment shall be made and this Agreement shall be modified in writing accordingly. No service for which additional compensation will be charged by the Consultant shall be furnished without the written authorization of the Village.
- 2.3. The Consultant shall, as a condition precedent to its right to receive a progress payment, submit to the Village an invoice accompanied by such receipts, vouchers, and other documents as may be necessary to establish costs incurred for all labor, material, and other things covered by the invoice and the absence of any interest, whether in the nature of a lien or otherwise, of any party in any property, work, or fund with respect to the Services performed under this Agreement. In addition to the foregoing, such invoice shall include: (a) employee classifications, rates per hour, and hours worked by each classification, and, if the Services are to be performed in separate phases, for each phase; (b) total amount billed in the current period and total amount billed to date, and, if the Services are to be performed in separate phases; and (c) the estimated percent completion, and, if the Services are to be performed in separate phases, for each phase.

- 2.4. Notwithstanding any other provision of this Agreement and without prejudice to any of the Village's rights or remedies, the Village shall have the right at any time or times to withhold from any payment such amount as may reasonably appear necessary to compensate the Village for any actual or prospective loss due to: (1) services that are defective, damaged, flawed, unsuitable, nonconforming, or incomplete; (2) damage for which the Consultant is liable under this Agreement; (3) claims of subcontractors, suppliers, or other persons performing consultants Services; (4) delay in the progress or completion of the Services; (5) inability of the Consultant to complete the Services; (6) failure of the Consultant to properly complete or document any pay request; (7) any other failure of Consultant to perform any of its obligations under this Agreement; or (8) the cost to the Village, including attorneys' fees and administrative costs, of correcting any of the aforesaid matters or exercising any one or more of the Village's remedies set forth in this Agreement. The Village must notify the Consultant of cause for withholding within fourteen (14) days of the Village's receipt of an invoice.
- 2.5. The Village shall be entitled to retain any and all amounts withheld pursuant to this Agreement until the Consultant shall have either performed the obligations in question or furnished security for such performance satisfactory to the Village. The Village shall be entitled to apply any money withheld or any other money due the Consultant under this Agreement to reimburse itself for any and all costs, expenses, losses, damages, liabilities, suits, judgments, awards, attorneys' fees, and administrative expenses incurred, suffered, or sustained by the Village and chargeable to the Consultant under this Agreement.

3. TERM AND TERMINATION.

- 3.1. This Agreement shall be for a two (2) year term beginning on the Effective Date as defined herein. The Village shall have the option to renew this Agreement an additional one (1) year at its sole discretion.
- 3.2. This Agreement may be terminated, in whole or in part, by either party if the other party substantially fails to fulfill its obligations under this Agreement through no fault of the terminating party. The Village may terminate this Agreement, in whole or in part, for its convenience. No such termination may be effected unless the terminating party gives the other party: (1) not less than ten (10) calendar days written notice pursuant to Section 14 below of its intent to terminate; and (2) an opportunity for a meeting with the terminating party before termination.
- 3.3. If this Agreement is terminated by either party, the Consultant shall be paid for Services performed to the effective date of termination, including reimbursable expenses. In the event of termination, the Village shall receive reproducible copies of drawings, specifications and other documents completed by the Consultant pursuant to this Agreement.

4. INDEMNIFICATION.

4.1. The Consultant shall, without regard to the availability or unavailability of any insurance, either of the Village or Consultant, indemnify, save harmless, and defend the

Village, its officers, employees, agents, and volunteers against any and all lawsuits, claims, demands, damages, liabilities, losses, and expenses, including reasonable attorneys' fees and administrative expenses, that may arise, or be alleged to have arisen, out of or in connection with the Consultant's performance of, or failure to perform, the Services or any part thereof, whether or not due or claimed to be due in whole or in part to the active, passive, or concurrent negligence or fault of Consultant, but only to the extent caused by the negligence of the Consultant or its subconsultants or their respective employees.

5. INSURANCE.

- 5.1. The Consultant shall, at the Consultant's expense, secure and maintain in effect throughout the duration of this Agreement, insurance of the following kinds and limits set forth in this Section 5. The Consultant shall furnish Certificates of Insurance to the Village before starting work or within ten (10) days after the notice of award of the Agreement, which ever date is reached first. All insurance policies, except professional liability insurance, shall be written with insurance companies licensed to do business in the State of Illinois and having a rating of at least A-VII, according to the latest edition of the Best's Key Rating Guide; and shall include a provision preventing cancellation of the insurance policy unless fifteen (15) days prior written notice is given to the Village. This provision shall also be stated on each Certificate of Insurance: "Should any of the above described policies be canceled before the expiration date, the issuing company shall mail fifteen (15) days' written notice to the certificate holder named to the left." The Consultant shall require any of its subconsultants to secure and maintain insurance as set forth in this Section 5 and indemnify, hold harmless and defend the Village, its officers, employees, agents, and volunteers as set forth in this Agreement.
- 5.2. The limits of liability for the insurance required shall provide coverage for not less than the following amounts, or greater where required by law:

(A) Commercial General Liability:

- Coverage to include, Broad Form Property Damage, Contractual and Personal Injury.
- ii. Limits:

 General Aggregate
 \$ 2,000,000.00

 Each Occurrence
 \$ 1,000,000.00

 Personal Injury
 \$ 1,000,000.00

iii. Coverage for all claims arising out of the Consultant's operations or premises, anyone directly or indirectly employed by the Consultant.

(B) **Professional Liability:**

i. Per Claim/Aggregate \$2,000,000.00

ii. Coverage for all claims arising out of the Consultant's operations or premises, anyone directly or indirectly employed by the Consultant, and the Consultant's obligations under the

indemnification provisions of this Agreement to the extent same are covered.

(C) Workers' Compensation:

Shall be in accordance with the provisions of the laws of the State of Illinois, including occupational disease provisions, for all employees who work on the Project, and in case work is sublet, the Consultant shall require each subconsultant similarly to provide Worker's Compensation Insurance. In case employees engaged in hazardous work under this Agreement are not protected under Worker's Compensation statute, the Consultant shall provide, and shall cause each subconsultant to provide, adequate and suitable insurance for the protection of employees not otherwise provided.

(D) Crime and Fraud Coverage

i. Crime coverage such as that provided by Standard Financial Institution Bond Form 24.

(E) Umbrella:

i. Limits:Each Occurrence/Aggregate

\$5,000,000.00

- (F) The Village, its officers, officials, employees, agents, and volunteers shall be named as an additional insured on all insurance policies set forth herein except Worker's Compensation and Professional Liability. The Consultant shall be responsible for the payment of any deductibles for said insurance policies. The coverage shall contain no special limitations on the scope of protection afforded to the Village, its officers, employees, and volunteers.
- 5.3. The Village and the Consultant agree to waive against each other all claims for special, incidental, indirect, or consequential damages arising out of, resulting from, or in any way related to the Project.
- 5.4. The Consultant understands and agrees that any insurance protection required by this Agreement or otherwise provided by the Consultant, shall in no way limit the responsibility to indemnify, keep and save harmless, and defend the Village as herein provided.

6. SUCCESSORS AND ASSIGNS.

6.1. The Village and the Consultant each bind themselves and their partners, successors, executors, administrators and assigns to the other party of this Agreement and to the partners, successors, executors, administrators and assigns of such other party in respect to all covenants of this Agreement. Except as above, neither the Village nor the Consultant shall assign, sublet or transfer its interest in this Agreement without the written

consent of the other. Nothing herein shall be construed as creating any personal liability on the part of any officer or agent of any public body that may not be a party hereto, nor shall it be construed as giving any right or benefits hereunder to anyone other than the Village and the Consultant.

7. FORCE MAJEURE.

7.1. Neither the Consultant nor the Village shall be responsible for any delay caused by any contingency beyond their control, including, but not limited to: acts of nature, war or insurrection, strikes or lockouts, walkouts, fires, natural calamities, riots or demands or requirements of governmental agencies.

8. <u>AMENDMENTS AND MODIFICATIONS</u>.

8.1. This Agreement may be modified or amended from time to time provided, however, that no such amendment or modification shall be effective unless reduced to writing and duly authorized and signed by the authorized representative of the Village and the authorized representative of the Consultant.

9. STANDARD OF CARE.

- 9.1. The Consultant is responsible for the quality, technical accuracy, timely completion, and coordination of all Services furnished or required under this Agreement, and shall endeavor to perform such Services with the same skill and judgment which can be reasonably expected from similarly situated professionals.
- 9.2. The Consultant shall promptly make revisions or corrections regarding its Services resulting from its errors, omissions, or negligent acts without additional compensation. The Village's acceptance of any of Consultant's Services shall not relieve Consultant of its responsibility to subsequently correct any such errors or omissions, provided the Village notifies Consultant thereof within one (1) year of completion of the Consultant's Services.
- 9.3. The Consultant shall respond to the Village's notice of any errors and/or omissions within seven (7) days of written confirmation by the Consultant of the Village's notice. Such confirmation may be in the form of a facsimile confirmation receipt by the Village, or by actual hand delivery of written notice by the Village to the Consultant.
- 9.4. The Consultant shall comply with all federal, state, and local statutes, regulations, rules, ordinances, judicial decisions, and administrative rulings applicable to its performance under this Agreement.
- 9.5. The Consultant shall give all notices, pay all fees, and take all other action that may be necessary to ensure that the Services are provided, performed, and completed in accordance with all required governmental permits, licenses, and other approvals and authorizations that may be required in connection with providing, performing, and completing the Services, and with all applicable statutes, ordinances, rules, and regulations,

including, but not limited to, the Fair Labor Standards Act; any statutes regarding qualification to do business; any statutes prohibiting discrimination because of, or requiring affirmative action based on race, color, religion, sex, national origin, ancestry, age, order of protection status, marital status, physical or mental disability, military status, sexual orientation, or unfavorable discharge from military service or other prohibited classification, including, without limitation, the Americans with Disabilities Act of 1990, 42 U.S.C. §§ 12101 et seq., and the Illinois Human Rights Act, 775 ILCS 5/1-101 et seq. The Consultant shall also comply with all conditions of any federal, state, or local grant received by the Village or the Consultant with respect to this Agreement.

9.6. The Consultant shall be solely liable for any fines or civil penalties that are imposed by any governmental or quasi-governmental agency or body that may arise, or be alleged to have arisen, out of or in connection with the Consultant's, or its subcontractors', performance of, or failure to perform, the Services required pursuant to this Agreement or any part thereof.

10. <u>DOCUMENTS AND BOOKS AND RECORDS.</u>

- 10.1. Reports, examinations, information, observations, calculations, notes and any other reports, documents, data or information, in any form, prepared, collected, or received by the Consultant in connection with any or all of the Services to be provided pursuant to this Agreement ("Documents") shall be and remain the property of the Village upon completion of the project and payment to the Consultant all amounts then due under this Agreement. At the Village's request, or upon termination of this Agreement, the Documents shall be delivered promptly to the Village. The Consultant shall have the right to retain copies of the Documents for its files. The Consultant shall maintain files of all Documents unless the Village shall consent in writing to the destruction of the Documents, as required herein.
- 10.2. The Consultant's Documents and records pursuant to this Agreement shall be maintained and made available during performance of the Services under this Agreement and for three (3) years after completion of any Services. The Consultant shall give notice to the Village of any Documents to be disposed of or destroyed and the intended date after said period, which shall be at least ninety (90) days after the effective date of such notice of disposal or destruction. The Village shall have ninety (90) days after receipt of any such notice to give notice to the Consultant not to dispose of or destroy said Documents and to require Consultant to deliver same to the Village, at the Village's expense. The Consultant and any subconsultants shall maintain for a minimum of three (3) years after the completion of this Agreement, or for three (3) years after the termination of this Agreement, whichever comes later, adequate books, records and supporting documents to verify the amounts, recipients and uses of all disbursements of funds passing in conjunction with the Agreement. The Agreement and all books, records and supporting documents related to the Agreement shall be available for review and audit by the Village and the federal funding entity, if applicable, and the Consultant agrees to cooperate fully with any audit conducted by the Village and to provide full access to all materials. Failure to maintain the books, records and supporting documents required by this subsection shall establish a presumption in favor of the Village for recovery of any funds paid by the Village under the

Agreement for which adequate books, records and supporting documentation are not available to support their purported disbursement. The Consultant shall make the Documents available for the Village's review, inspection and audit during the entire term of this Agreement and three (3) years after completion of the Project as set forth herein and shall fully cooperate in responding to any information request pursuant to the Illinois Freedom of Information Act, 5 ILCS 140/1 et seq. by providing any and all responsive documents to the Village.

- 10.3. The Consultant shall have the right to include among the Consultant's promotional and professional materials those drawings, renderings, other design documents and other work products that are prepared by the Consultant pursuant to this Agreement (collectively "Work Products"). The Village shall provide professional credit to the Consultant in the Village's development, promotional and other materials which include the Consultant's Work Products.
- 10.4. The Consultant shall furnish all records related to this Agreement and any documentation related to the Village required under an Illinois Freedom of Information Act (ILCS 140/1 et. seq.) ("FOIA") request within five (5) business days after the Village issues notice of such request to the Consultant. The Consultant shall not apply any costs or charge any fees to the Village regarding the procurement of records required pursuant to a FOIA request. The Consultant agrees to defend, indemnify, and hold harmless the Village, and agrees to pay all reasonable costs connected therewith (including, but not limited to reasonable attorney's and witness fees, filing fees, and any other expenses) for the Village to defend any and all causes, actions, causes of action, disputes, prosecutions, or conflicts arising from the Consultant's actual or alleged violation of the FOIA, or the Consultant's failure to furnish all documentation related to a request within five (5) days after the Village issues notice of a request. Furthermore, should the Consultant request that the Village utilize a lawful exemption under FOIA in relation to any FOIA request thereby denying that request, the Consultant agrees to pay all costs connected therewith (such as reasonable attorney's and witness fees, filing fees, and any other expenses) to defend the denial of the request. The defense shall include, but not be limited to, challenged or appealed denials of FOIA requests to either the Illinois Attorney General or a court of competent jurisdiction. The Consultant shall defend, indemnify, and hold harmless the Village, and agrees to pay all costs connected therewith (such as reasonable attorney's and witness fees, filing fees and any other expenses) to defend any denial of a FOIA request by the Consultant's request to utilize a lawful exemption to the Village.

11. SAVINGS CLAUSE.

11.1. If any provision of this Agreement, or the application of such provision, shall be rendered or declared invalid by a court of competent jurisdiction, or by reason of its requiring any steps, actions or results, the remaining parts or portions of this Agreement shall remain in full force and effect.

12. NON-WAIVER OF RIGHTS.

- 12.1. No failure of either party to exercise any power given to it hereunder or to insist upon strict compliance by the other party with its obligations hereunder, and no custom or practice of the parties at variance with the terms hereof, nor any payment under this agreement shall constitute a waiver of either party's right to demand exact compliance with the terms hereof.
- 12.2. This Agreement shall not prohibit the Consultant from providing services to any other public or private entity or person. In the event that the Consultant provides Services to a public or private entity or person, the Village, at its sole discretion, may determine that such Services conflict with a service to be provided to the Village by the Consultant, and the Village may select another consultant to provide such Services as the Village deems appropriate.

13. THE VILLAGE'S REMEDIES.

- 13.1. If it should appear at any time prior to payment for Services provided pursuant to this Agreement that the Consultant has failed or refused to prosecute, or has delayed in the prosecution of, the Services to be provided pursuant to this Agreement with diligence at a rate that assures completion of the Services in full compliance with the requirements of this Agreement, or has attempted to assign this Agreement or the Consultant's rights under this Agreement, either in whole or in part, or has falsely made any representation or warranty, or has otherwise failed, refused, or delayed to perform or satisfy any other requirement of this Agreement or has failed to pay its debts as they come due ("Event of Default"), and has failed to cure, or has reasonably commenced to cure any such Event of Default within fifteen business days after Consultant's receipt of written notice of such Event of Default, then the Village shall have the right, at its election and without prejudice to any other remedies provided by law or equity, to pursue any one or more of the following remedies:
- 13.1.1. The Village may require the Consultant, within such reasonable time as may be fixed by the Village, to complete or correct all or any part of the Services that are defective, damaged, flawed, unsuitable, nonconforming, or incomplete and to take any or all other action necessary to bring Consultant and the Services into compliance with this Agreement;
- 13.1.2. The Village may accept the defective, damaged, flawed, unsuitable, nonconforming, incomplete, or dilatory Services or part thereof and make an equitable reduction;
- 13.1.3. The Village may terminate this Agreement without liability for further payment of amounts due or to become due under this Agreement except for amounts due for Services properly performed prior to termination;
- 13.1.4. The Village may withhold any payment from the Consultant, whether or not previously approved, or may recover from the Consultant any and all costs, including

attorneys' fees and administrative expenses, incurred by the Village as the result of any Event of Default or as a result of actions taken by the Village in response to any Event of Default; or

- 13.1.5. The Village may recover any damages suffered by the Village as a result of the Consultant's Event of Default.
- 13.2. In addition to the above, if the Consultant fails to complete any required Services pursuant to this Agreement, the Village shall be entitled to liquidated damages in the amount of five hundred dollars (\$500.00) per day for each day the Services remains uncompleted. This amount is not a penalty, and the parties agree to said amount given the difficulties associated with determining or calculating damages to the Village in the event the required Services are not completed on time.

14. NO COLLUSION.

14.1. The Consultant hereby represents and certifies that the Consultant is not barred from contracting with a unit of state or local government as a result of: (1) a delinquency in the payment of any tax administered by the Illinois Department of Revenue unless Consultant is contesting, in accordance with the procedures established by the appropriate revenue Act, its liability for the tax or the amount of the tax, as set forth in 65 ILCS 5/11-42.1-1; or (2) a violation of either Section 33E-3 or Section 33E-4 of Article 33E of the Criminal Code of 1961, 720 ILCS 5/33E-1 et seq. The Consultant hereby represents that the only persons, firms, or corporations interested in this Agreement are those disclosed to the Village prior to the execution of this Agreement, and that this Agreement is made without collusion with any other person, firm, or corporation. If at any time it shall be found that Consultant has in procuring this Agreement, colluded with any other person, firm, or corporation, then the Consultant shall be liable to the Village for all loss or damage that the Village may suffer thereby, and this Agreement shall, at the Village's option, be null and void and subject to termination by the Village.

15. ENTIRE AGREEMENT.

15.1. This Agreement sets forth all the covenants, conditions and promises between the parties, and it supersedes all prior negotiations, statements or agreements, either written or oral, with regard to its subject matter. There are no covenants, promises, agreements, conditions or understandings between the parties, either oral or written, other than those contained in this Agreement.

16. GOVERNING LAW AND VENUE.

16.1. This Agreement shall be governed by the laws of the State of Illinois both as to interpretation and performance. Venue for any action pursuant to this Agreement shall be in the Circuit Court of Cook County, Illinois.

17. NOTICE.

17.1. Any notice required to be given by this Agreement shall be deemed sufficient if made in writing and sent by certified mail, return receipt requested, by personal service, electronic transmission or by facsimile to the persons and addresses indicated below or to such other addresses as either party hereto shall notify the other party of in writing pursuant to the provisions of this subsection:

If to the Village:	If to the Consultant:
Village Manager	
Village of Oak Park	
123 Madison Street	
Oak Park, Illinois 60302	
Fax: (708) 383-5101	
Email: villagemanager@oak-park.us	Email:

- 17.2. Mailing of such notice as and when above provided shall be equivalent to personal notice and shall be deemed to have been given at the time of mailing.
- 17.3. Notice by electronic transmission or facsimile transmission shall be effective as of date and time of facsimile transmission, provided that the notice transmitted shall be sent on business days during business hours (9:00 a.m. to 5:00 p.m. Chicago time). In the event facsimile notice is transmitted during non-business hours, the effective date and time of notice is the first business day after transmission.

18. HEADINGS AND TITLES.

18.1. The headings or titles of any provisions of this Agreement are for convenience or reference only and are not to be considered in construing this Agreement.

19. <u>COUNTERPARTS</u>.

19.1. This Agreement shall be executed in counterparts, each of which shall be considered an original and together shall be one and the same Agreement.

20. EFFECTIVE DATE.

20.1. As used in this Agreement, the Effective Date of this Agreement shall be the date that the Village Manager for the Village of Oak Park executes this Agreement as set forth below.

21. **BINDING AUTHORITY.**

21.1. The individuals executing this Agreement on behalf of the Consultant and the Village represent that they have the legal power, right, and actual authority to bind their respective parties to the terms and conditions of this Agreement.

22. AUTHORIZATIONS.

22.1 The Consultant's authorized representatives who have executed this Agreement warrant that they have been lawfully authorized by the Consultant's board of directors or its by-laws to execute this Agreement on its behalf. The Village Manager and Village Clerk warrant that they have been lawfully authorized to execute this Agreement. The Consultant and the Village shall deliver upon request to each other copies of all articles of incorporation, bylaws, resolutions, ordinances or other documents which evidence their legal authority to execute this Agreement on behalf of their respective parties.

23. <u>EQUAL OPPORTUNITY EMPLOYER</u>.

22.1. The Consultant is an equal opportunity employer and the requirements of 44 III. Adm. Code 750 APPENDIX A are incorporated herein if applicable.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK-SIGNATURE PAGE FOLLOWS] **IN WITNESS WHEREOF**, the parties hereto have caused this Agreement to be signed by their duly authorized representatives on the day and date first written above.

VILLAGE OF OAK PARK	CONSULTANT
By: Cara Pavlicek Its: Village Manager	By: Its:
Date:	Date:
ATTEST:	ATTEST:
By: Teresa Powell Its: Village Clerk	By: Its: