

**VILLAGE OF DOWNERS GROVE
REPORT FOR THE VILLAGE COUNCIL MEETING
MARCH 9, 2010 AGENDA**

SUBJECT:	TYPE:	SUBMITTED BY:
Award of Contract for Risk Management Broker of Record	✓ Resolution Ordinance Motion Discussion Only	Wesley Morgan, SPHR Human Resources Director

SYNOPSIS

A resolution has been prepared to authorize a three-year contract with Alliant Insurance Services to serve as the Village’s Broker of Record to obtain competitive quotes to renew the Village’s re-insurance coverage for property, casualty and excess liability.

STRATEGIC PLAN ALIGNMENT

The Five Year plan and Goals identifies *Exceptional Services* and *Steward of Financial Sustainability*.

FISCAL IMPACT

The FY10 budget provides \$25,000 for this annual cost within the Risk Management Fund. The annual cost for this service per the proposed contract would be \$19,500. The total three-year value of this contract is \$58,500.

UPDATE & RECOMMENDATION

This item was discussed at the March 2, 2010 meeting. During that meeting, members of the Village Council inquired whether pursuing a contract with Arthur Gallagher would result in lower premiums for the Village than the proposed contract with Alliant. Staff further reviewed this issue and determined that there is small number of public sector insurance providers. Both Alliant and Arthur Gallagher have the ability to obtain bids from these public sector insurance providers. Neither Alliant nor Arthur Gallagher appears to have an advantage over the other firm in obtaining the most competitive bids from the insurance providers. Therefore, staff recommends that the Council award the contract to Alliant

Staff recommends approval on the March 2, 2010 active agenda.

BACKGROUND

The Village of Downers Grove is Self-Insured for General Liability, Auto Liability and Workers Compensation. The Village maintains a Self Insured Retention (SIR) responsibility of \$1,000,000 for General/Auto Liability and \$500,000 for Workers Compensation. The Village retains an Insurance Broker to purchase the re-insurance in excess of the SIR and a stand alone policy for property insurance. In order to go out to the insurance market the Insurance Broker must be the Broker of Record so the underwriters will submit quotes.

The Village issued an RFP for Broker of Record Services in January, 2010. Responses to this RFP were received from three vendors. The Village conducted on site interviews with two of the three respondents and recommends an award of contract with Alliant Insurance Services. Through mergers and acquisitions the Village’s relationship with Alliant goes back to 2007. Alliant has consistently met the Village’s needs by providing effective professional brokerage services. Some of the services provided to the Village by Alliant include:

- Securing competitive quotes and policy enhancements for the Village's Insurance Program.
- Providing the Village with Certificates of Insurance.
- Counseling the Village regarding insurance requirements needed for grants applications.
- Partnering with the Village's Legal team to review Village contracts and insurance documents.
- Conducting on-site safety assessment and training.

ATTACHMENTS

Resolution

Contract

VILLAGE OF DOWNERS GROVE
COUNCIL ACTION SUMMARY

INITIATED: Risk Management **DATE:** March 9, 2010
(Name)

RECOMMENDATION FROM: _____ **FILE REF:** _____
(Board or Department)

NATURE OF ACTION:

STEPS NEEDED TO IMPLEMENT ACTION:

- Ordinance
- Resolution
- Motion
- Other

Motion to Adopt "A RESOLUTION AUTHORIZING EXECUTION OF AN AGREEMENT BETWEEN THE VILLAGE OF DOWNERS GROVE AND ALLIANT INSURANCE SERVICES, INC", as presented.

SUMMARY OF ITEM:

Adoption of the attached resolution shall authorize the extension of an agreement between the Village and Alliant Insurances Services, Inc. as Broker of Record, to obtain competitive quotes to renew the Village's coverage for property, casualty and excess liability insurance.

RECORD OF ACTION TAKEN:

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING EXECUTION OF AN
AGREEMENT BETWEEN THE VILLAGE OF DOWNERS GROVE
AND ALLIANT INSURANCE SERVICES, INC.**

BE IT RESOLVED by the Village Council of the Village of Downers Grove, DuPage County, Illinois, as follows:

1. That the form and substance of a certain Agreement (the “Agreement”), between the Village of Downers Grove (the “Applicant”) and Alliant Insurance Services, Inc. (the “Proposer”), as Broker of Record to obtain competitive quotes to renew the Village’s re-insurance coverage for property, casualty and excess liability, as set forth in the form of the Agreement submitted to this meeting with the recommendation of the Village Manager, is hereby approved.

2. That the Village Manager and Village Clerk are hereby respectively authorized and directed for and on behalf of the Village to execute, attest, seal and deliver the Agreement, substantially in the form approved in the foregoing paragraph of this Resolution, together with such changes as the Manager shall deem necessary.

3. That the proper officials, agents and employees of the Village are hereby authorized and directed to take such further action as they may deem necessary or appropriate to perform all obligations and commitments of the Village in accordance with the provisions of the Agreement.

4. That all resolutions or parts of resolutions in conflict with the provisions of this Resolution are hereby repealed.

5. That this Resolution shall be in full force and effect from and after its passage as provided by law.

Mayor

Passed:

Attest: _____

Village Clerk

V. PROPOSAL/CONTRACT FORM

*****THIS PROPOSAL, WHEN ACCEPTED AND SIGNED BY AN AUTHORIZED SIGNATORY OF THE VILLAGE OF DOWNERS GROVE, SHALL BECOME A CONTRACT BINDING UPON BOTH PARTIES.**

Entire Block Must Be Completed When A Submitted Bid Is To Be Considered For Award

PROPOSER:

Alliant Insurance Services, Inc.
Company Name

Date: February , 2010

200 South Wacker Drive, Suite 3030
Street Address of Company

tbarlas@alliantinsurance.com
Email Address

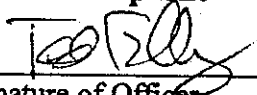
Chicago, IL 60606
City, State, Zip

Theodore G. Barlas
Contact Name (Print)

312/546-5616
Business Phone
Business Phone

773/294-2094
13-Hour Telephone

312/546-5606



Signature of Officer
Ted Filley – SVP & Managing Director
Print Name & Title

ATTEST If a Corporation



Signature of Corporation Secretary

VILLAGE OF DOWNERS GROVE:

Authorized Signature

ATTEST:

Title

Signature of Village Clerk

Date

Date

In compliance with the specifications, the above-signed offers and agrees, if this Proposal is accepted within 90 calendar days from the date of opening, to furnish any or all of the services upon which prices are quoted, at the price set opposite each item, delivered at the designated point within the time specified above.

Campaign Disclosure Certificate

**CAMPAIGN DISCLOSURE
CERTIFICATE**

Any contractor, proposer, Proposer or vendor who responds by submitting a bid or proposal to the Village of Downers Grove shall be required to submit with its bid submission, an executed

Campaign Disclosure Certificate, attached hereto.

The Campaign Disclosure Certificate is required pursuant to the Village of Downers Grove Council Policy on Ethical Standards and is applicable to those campaign contributions made to any member of the Village Council.

Said Campaign Disclosure Certificate requires any individual or entity bidding to disclose campaign contributions, as defined in Section 9-1.4 of the Election Code (10 ILCS 5/9-1.4), made to current members of the Village Council within the five (5) year period preceding the date of the bid or proposal release.

By signing the bid documents, contractor/proposer/Proposer/vendor agrees to refrain from making any campaign contributions as defined in Section 9-1.4 of the Election Code (10 ILCS 5/9-1.4) to any Village Council member and any challengers seeking to serve as a member of the Downers Grove Village Council.

Under penalty of perjury, I declare:

- Proposer/vendor has not contributed to any elected Village position within the last five (5) years.


Signature

Theodore G. Barlas
Print Name