



**PURCHASING ITEM
FOR
COUNCIL AGENDA**

1. Agenda Item Number:

50

2. Council Meeting Date:
June 25, 2015

TO: **MAYOR & COUNCIL**

3. Date Prepared: June 9, 2015

THROUGH: **CITY MANAGER**

4. Requesting Department: Law

5. **SUBJECT:** Amendment No. 1 to Agreement No. RM2-953-3096 for broker services

6. **RECOMMENDATION:** Staff recommends City Council approve Amendment No. 1 to Agreement No. RM2-953-3096, with Arthur J. Gallagher Risk Management Services for broker services for the term of July 1, 2015 through June 30, 2016 in an amount not to exceed \$175,000 for one year.

7. **BACKGROUND/DISCUSSION:** The City requires the services of an insurance broker for purchase of the City's liability and excess workers' compensation coverages. Broker services include: meeting with the City Attorney staff and the Human Resources staff tri-annually to discuss loss control issues, changes in exposure, and general administrative issues; developing action plans on behalf of the City for each year of service; and submitting them for review and approval by the City Attorney and Human Resources no later than January 30th of each year.

8. **EVALUATION PROCESS:** On April 12, 2012, City Council approved an agreement with Arthur J. Gallagher Risk Management Services for Broker Services for a three year period with the option of up to two one-year extensions. Arthur J. Gallagher Risk Management Services has agreed to extend for one additional year at the same terms, conditions and pricing.

9. **FINANCIAL IMPLICATIONS:** Funds for this agreement have been appropriated in account 737-1310-5219.

10. **PROPOSED MOTION:** Move that City Council approve Amendment No. 1 to Agreement No. RM2-953-3096 with Arthur J. Gallagher Risk Management Services for broker services for the term of July 1, 2015 through June 30, 2016 in an amount not to exceed \$175,000 for one year.

Attachments: Amendment No. 1

APPROVALS

11. Requesting Department

Claudia Rohrs, Risk Services Coordinator

13. Department Head

Kay Bigelow, City Attorney

12. Procurement Officer

Juan Martinez

14. Acting City Manager

Marsha Reed

**AMENDMENT NUMBER ONE
TO AGREEMENT BETWEEN THE CITY OF CHANDLER
AND
ARTHUR J. GALLAGHER RISK MANAGEMENT SERVICES, INC.
FOR BROKER SERVICES
AGREEMENT NO. RM2-953-3096**

This Amendment Number One to that certain Agreement Between the City of Chandler (CITY) and Arthur J. Gallagher Risk Management Services, Inc. (CONTRACTOR) for Broker Services dated April 17, 2012, and is entered into this _____ day of _____ 2015.

WHEREAS, a three year AGREEMENT with two (2) additional one year renewal options was awarded to Arthur J. Gallagher Risk Management Services, Inc. for Broker Services. This is the first renewal option.

NOW THEREFORE, the parties agree as follows:

1. Section 5, Term of the AGREEMENT is hereby amended to extend the AGREEMENT for a one-year period, July 1, 2015 through June 30, 2016.
2. All other terms and conditions of the above referenced Agreement shall remain unchanged and in full force and effect. All terms and conditions in the original Agreement not specifically amended herein shall be incorporated by reference in its entirety and shall remain in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto subscribed their names this _____ day of _____, 2015.

CITY OF CHANDLER:

By: _____
Mayor

CONTRACTOR:

By: Jeffrey R. Kasal
Title: AREA PRESIDENT

APPROVED AS TO FORM:

City Attorney *K.B.*

ATTEST: (If corporation)

Secretary

ATTEST:

City Clerk

WITNESS: (If individual or Partnership)
