



**ACTION SHEET**  
**CITY COUNCIL COMMITTEE MEETING OF 06/24/2015**  
**ITEM FROM FINANCE COMMITTEE MEETING OF 06/15/2015**

**ISSUE:**

29. Request for Approval of Renewal for Fiscal Year 2015/2016 Comprehensive Insurance Program Coverage for City of Santa Fe (RFP #12/19/P); A.J. Gallagher Risk Management Services. (Barbara Boltrek)

**FINANCE COMMITTEE ACTION: APPROVED AS CONSENT ITEM**

**FUNDING SOURCE: Various funding source-see memo**

**SPECIAL CONDITIONS OR AMENDMENTS**

**STAFF FOLLOW-UP:**

<b>VOTE</b>	<b>FOR</b>	<b>AGAINST</b>	<b>ABSTAIN</b>
COUNCILOR TRUJILLO	X		
COUNCILOR RIVERA	X		
COUNCILOR LINDELL	X		
COUNCILOR MAESTAS	X		
CHAIRPERSON DOMINGUEZ			

06/15/2015

# City of Santa Fe, New Mexico

# memo

June 1, 2015

To: Finance Committee

From: Barbara Boltrek, Risk & Safety Manger *BBB*  
Office of Risk Management & Safety

Via: Oscar S. Rodriguez, Finance Director *OR*  
Finance Department

Subject: Request for Approval – Renewal of Comprehensive Insurance Program  
Cover Submitted by A.J. Gallagher – RFP# '12/19/P

## Summary:

On June 13, 2012, the City Council awarded RFP# '12/19/P for which we are hereby requesting approval of our insurance coverages for the fourth year of an eight-year award. The attached lists the various lines of coverage with the expiring and proposed premium costs per line of coverage.

Funding for this recommendation is as follows:

62102.555300	Risk – Premiums	\$1,851,882.00
52800.555300	Airport – Premiums	11,781.00
52104.555600	Fine Arts – Property Coverage	3,000.00
62111.555700	Excess Work Comp – Excess Insurance	117,036.00
52501.555300	SWAMA – Pollution Coverage	36,095.34
7280000.555300	BDD – Umbrella Coverage	<u>49,988.00</u>
	Total premiums	\$2,069,782.34
62102.555300	Broker fee	<u>71,028.00</u>
		\$2,140,810.34

## Action:

Recommendation for approval of the above mentioned insurance policies and coverage for FY 2015-16 in the amount of \$2,140,810.34 and forward to the City Council for its consideration.

## Attachment:

AJ Gallagher Program Proposal Renewal Quotes  
AJ Gallagher Broker Services Contract



**Premium Summary**

The estimated program cost for the recommended program/options are outlined in the following table:

LINE OF COVERAGE		EXPIRING PROGRAM The Travelers Indemnity Company of Connecticut	PROPOSED The Travelers Indemnity Company of Connecticut
Property Including Inland Marine & Equipment Breakdown	Premium	\$262,871.00	\$247,571.00
	Taxes	-	-
	Srchrng & Asmnt Total Fees	-	-
	<b>Estimated Cost Annualized Cost</b>	<b>\$262,871.00</b>	<b>\$247,571.00</b>
	TRIA Premium	-	-
General Liability Including Liquor Liability	Premium	\$546,310.00	\$555,187.00
	Taxes	-	-
	Srchrng & Asmnt Total Fees	-	-
	<b>Estimated Cost Annualized Cost</b>	<b>\$546,310.00</b>	<b>\$555,187.00</b>
	TRIA Premium	-	-
Business Auto	Premium	\$389,999.00	\$418,312.00
	Taxes	-	-
	Srchrng & Asmnt Total Fees	-	-
	<b>Estimated Cost Annualized Cost</b>	<b>\$389,999.00</b>	<b>\$418,312.00</b>
	TRIA Premium	-	-
Professional Liability (Including Employee Benefit, Law Enforcement, Public Entity Management, EPL)	Premium	\$594,832.00	\$604,390.00
	Taxes	-	-
	Srchrng & Asmnt Total Fees	-	-
	<b>Estimated Cost Annualized Cost</b>	<b>\$594,832.00</b>	<b>\$604,390.00</b>
	TRIA Premium	-	-

LINE OF COVERAGE		EXPIRING PROGRAM The Travelers Indemnity Company of Connecticut, (Travelers Group)	PROPOSED The Travelers Indemnity Company of Connecticut (Travelers Group)
Cyber Liability	Premium	\$3,966.00	\$4,344.00
	Taxes	-	-
	Srchg & Asmnt Total Fees	-	-
	<b>Estimated Cost</b>	<b>\$3,966.00</b>	<b>\$4,344.00</b>
	Annualized Cost TRIA Premium	-	-
Crime	Premium	\$3,167.00	\$3,167.00
	Taxes	-	-
	Srchg & Asmnt Total Fees	-	-
	<b>Estimated Cost</b>	<b>\$3,167.00</b>	<b>\$3,167.00</b>
	Annualized Cost TRIA Premium	-	-
Umbrella	Premium	\$46,709.00	\$49,988.00
	Taxes	-	-
	Srchg & Asmnt Total Fees	-	-
	<b>Estimated Cost</b>	<b>\$46,709.00</b>	<b>\$49,988.00</b>
	Annualized Cost TRIA Premium	-	-
<b>TOTAL TRAVELERS</b>		<b>TRAVELERS EXPIRING</b>	<b>TRAVELERS RENEWAL</b>
		\$1,847,854.00	\$1,882,959.00
		-	-
		-	-
		<b>\$1,847,854.00<sup>1</sup></b>	<b>\$1,882,959.00<sup>1</sup></b>
		-	-

<sup>1</sup> This represents a 1.89% increase.  
 Note: The Flood Deductible for Contractors Equipment has been increased to \$100K (discussed last year)  
 Note: The autos and equipment that maintain the airport tarmac, runways etc are excluded. Covered under Aviation policy



**Arthur J. Gallagher Risk Management Services**

Reducing Risk. Raising Expectations.™

LINE OF COVERAGE		EXPIRING PROGRAM	PROPOSED
Fiduciary Liability	Premium	\$12,500.00	\$13,019.00
	Taxes	-	-
	Srchrg & Asmnt	-	-
	Total Fees	-	-
	<b>Estimated Cost</b>	<b>\$12,500.00</b>	<b>\$13,019.00</b>
Excess Workers' Compensation	Annualized Cost	Included	Included
	TRIA Premium	\$112,032.00	\$117,036.00
	Premium	-	-
	Taxes	-	-
	Srchrg & Asmnt	-	-
Aviation Liability	Total Fees	-	-
	<b>Estimated Cost</b>	<b>\$112,032.00</b>	<b>\$117,036.00</b>
	Payroll	\$71,448,798	\$72,289,177
	Retention	Police/Fire: \$650K All others: \$600K	Police/Fire: \$650K All others: \$600K
	Premium	\$11,781.00	\$11,781.00
Storage Tank Liability	Taxes	-	-
	Srchrg & Asmnt	-	-
	Total Fees	-	-
	<b>Estimated Cost</b>	<b>\$11,781.00</b>	<b>\$11,781.00</b>
	Annualized Cost	-	-
Equipment Floater	TRIA Premium	\$11,781.00	\$11,781.00
	Premium	\$5,662.00	\$5,892.00
	Taxes	-	-
	Srchrg & Asmnt	-	-
	Total Fees	-	-
Equipment Floater	<b>Estimated Cost</b>	<b>\$5,662.00</b>	<b>\$5,892.00</b>
	Annualized Cost	-	-
	TRIA Premium	Included	Included
	Premium	\$1,103.00	Included in Fine Arts Policy
	Taxes	-	-
Equipment Floater	Srchrg & Asmnt	-	-
	Total Fees	-	-
	<b>Estimated Cost</b>	<b>\$1,103.00</b>	-
	Annualized Cost	-	-
		-	-



**Arthur J. Gallagher Risk Management Services**

Reducing Risk. Raising Expectations.™

LINE OF COVERAGE	EXPIRING PROGRAM	PROPOSED
Santa Fe Solid Waste Pollution Liability Including General Liability	Premium	\$34,043.00
	Taxes	\$1,052.34
	Srchrg & Asmnt	-
	Total Fees	\$1,000.00
	<b>Estimated Cost</b>	<b>\$36,095.34</b>
Annualized Cost	-	
TRIA Premium	Included	
Inland Marine - Fine Arts	Premium	\$2,888.00 <sup>2a</sup>
	Taxes	-
	Srchrg & Asmnt	-
	Total Fees	-
	<b>Estimated Cost</b>	<b>\$3,000.00</b>
Annual Broker Fee	\$68,959.00	\$71,028.00
<b>TOTAL ALL OTHER</b>	<b>\$251,512</b>	<b>\$257,851</b>
<b>ESTIMATED TOTAL PREMIUM</b>	<b>\$2,099,366</b>	<b>\$2,140,810<sup>3</sup></b>

<sup>2a</sup>Total Premium includes Floater Policy (Library ONLY) with \$500 Deductible and Fine Arts Policy (Marcy St ONLY) with \$2,500 Deductible

<sup>2b</sup>Coverage for Fine Arts for ALL locations owned and operated by City; Deductible \$1,000 and \$5,000 for outdoor sculptures. Extended coverage for consignments; broader policy form; \$1mm Limit

<sup>3</sup>Overall premium represents 1.97% increase from expiring.



- |                          |                                     |  |
|--------------------------|-------------------------------------|--|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Documentation sent to Proponents/Offerors and responses received regarding clarifications, decisions, negotiations, and/or best and final offers, etc. |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Reference Reviews/Reference Check Questionnaires   |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Pricing evaluation   |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Final overall evaluation matrix or summary of evaluator scores   |
| <input type="checkbox"/> | <input type="checkbox"/>            | Other: _____   |

**AWARD\***

**YES    N/A**

- |                          |                                     |  |
|--------------------------|-------------------------------------|--|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Fully executed Memo to Committees from the Department with recommendation of award           |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Winning proposal (this is a copy that has all confidential/proprietary information excluded) |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Contract Award Notice  |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Email or notification sent to all Proponent(s)/Offerors that award was made                  |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Waiver or "No Action Taken" from Procurement Office  |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | If IFB and not awarded to lowest responsive, responsible bidder; written explanation         |
| <input type="checkbox"/> | <input type="checkbox"/>            | Other: _____   |

**DISCLOSURES\***

**YES    N/A**

- |   |                                     |  |
|---|-------------------------------------|--|
| <b>Contractor Disclosures &amp; Conflicts of Interest</b> |                                     |  |
| <input type="checkbox"/>                                  | <input checked="" type="checkbox"/> | Disclosures & Conflicts of Interest Form(s) (winning proponent(s)/offeror(s))            |
| <b>Contractor –Conflicts of Interest</b>                  |                                     |  |
| <input type="checkbox"/>                                  | <input checked="" type="checkbox"/> | Purchasing Office Letter or e-mail to designated individual regarding potential conflict |
| <input type="checkbox"/>                                  | <input checked="" type="checkbox"/> | Conflict of Interest Form signed by all parties  |
| <input type="checkbox"/>                                  | <input checked="" type="checkbox"/> | Letter from Procurement Office regarding the potential conflict                          |
| <b>Subcontractor Disclosures</b>                          |                                     |  |
| <input type="checkbox"/>                                  | <input checked="" type="checkbox"/> | Disclosures & Conflicts of Interest form of Subcontractor(s)                             |
| <b>Subcontractor –Conflicts of Interest</b>               |                                     |  |
| <input type="checkbox"/>                                  | <input checked="" type="checkbox"/> | Purchasing Officer Letter or email to designated individual regarding potential conflict |
| <input type="checkbox"/>                                  | <input checked="" type="checkbox"/> | Conflict of Interest form signed by all parties  |
| <input type="checkbox"/>                                  | <input checked="" type="checkbox"/> | Letter from Legal Office regarding the potential conflict                                |
| <input type="checkbox"/>                                  | <input type="checkbox"/>            | Other: _____   |

**CONTRACT\***

**YES    N/A**

- |                                     |                                     |   |
|-------------------------------------|-------------------------------------|---|
| <input checked="" type="checkbox"/> | <input type="checkbox"/>            | Copy of Executed Contract                             |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | Copy of all documentation presented to the Committees |
| <input type="checkbox"/>            | <input checked="" type="checkbox"/> | Finalized Council Committee Minutes                   |
| <input type="checkbox"/>            | <input type="checkbox"/>            | Other: _____  |

**MISCELLANEOUS FILE\***

**YES    N/A**

- |                          |                                     |                           |
|--------------------------|-------------------------------------|---------------------------|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Local Preference Form     |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | New Mexico Residence Form |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Veterans Exemption        |
| <input type="checkbox"/> | <input type="checkbox"/>            | Other: _____              |

Include all other substantive documents and records of communication that pertain to the procurement and any resulting contract.

\*

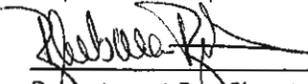
**PROTEST (If applicable)\***

- | YES                      | N/A                                 |   |
|--------------------------|-------------------------------------|---|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Documentation from protester filed with the Purchasing Office               |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Letter from Department to Purchasing Office Providing response to protest   |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Letter from Purchasing Officer to protester and Department on final outcome |
| <input type="checkbox"/> | <input type="checkbox"/>            | Other: _____  |

**Create a separate file folder which may contain any documents with trade secrets or other competitively sensitive, confidential or proprietary information.**

- | YES                      | N/A                                 |  |
|--------------------------|-------------------------------------|--|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Original proposal (s) with no redactions |

Barbara Boitrek Risk & Safety Manager  
Department Rep Printed Name and Title

  
Department Rep Signature attesting that all information included



**City of Santa Fe  
Summary of Contracts, Agreements, & Amendments**

**Section to be completed by department for each contract or contract amendment**

1 **FOR:** ORIGINAL CONTRACT  or CONTRACT AMENDMENT

2 Name of Contractor AJ Gallagher

3 Complete information requested  Plus GRT  
 Inclusive of GRT

Original Contract Amount: \$578,008.00

Termination Date: 6/30/2020 for an eight year contract

Approved by Council Date: June 13, 2012

or by City Manager Date: \_\_\_\_\_

**Contract is for:** Insurance broker services

Amendment # \_\_\_\_\_ to the Original Contract# \_\_\_\_\_

Increase/(Decrease) Amount \$ \_\_\_\_\_

Extend Termination Date to: \_\_\_\_\_

Approved by Council Date: \_\_\_\_\_

or by City Manager Date: \_\_\_\_\_

**Amendment is for:**  

4 **History of Contract & Amendments:** (option: attach spreadsheet if multiple amendments)  Plus GRT  
 Inclusive of GRT

Amount \$ \_\_\_\_\_ of original Contract# \_\_\_\_\_ Termination Date: \_\_\_\_\_

Reason: \_\_\_\_\_

Amount \$ \_\_\_\_\_ amendment # \_\_\_\_\_ Termination Date: \_\_\_\_\_

Reason: \_\_\_\_\_

Amount \$ \_\_\_\_\_ amendment # \_\_\_\_\_ Termination Date: \_\_\_\_\_

Reason: \_\_\_\_\_

Amount \$ \_\_\_\_\_ amendment # \_\_\_\_\_ Termination Date: \_\_\_\_\_

Reason: \_\_\_\_\_

Total of Original Contract plus all amendments: \$ \_\_\_\_\_



City of Santa Fe
Summary of Contracts, Agreements, & Amendments

5 Procurement Method of Original Contract: (complete one of the lines)

RFP# 12/19/P Date: June 13, 2012

RFQ [ ] Date:

Sole Source [ ] Date:

Other

6 Procurement History: Fourth year of an eight year contract
example: (First year of 4 year contract)

7 Funding Source: Various, outlined in attached memo BU/Line Item: Outlined in memo

8 Any out-of-the ordinary or unusual issues or concerns:
(Memo may be attached to explain detail.)

9 Staff Contact who completed this form: Barbara Boltrek
Phone # 955-5627

10 Certificate of Insurance attached. (if original Contract) [ ]

Submit to City Attorney for review/signature
Forward to Finance Director for review/signature
Return to originating Department for Committee(s) review or forward to City Manager for review
and approval (depending on dollar level).

To be recorded by City Clerk:

Contract #

Date of contract Executed (i.e., signed by all parties):

Note: If further information needs to be included, attach a separate memo.

Comments:

Large empty rectangular box for comments.

ITEM # 12-0405

CITY OF SANTA FE  
PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT is made and entered into by and between the City of Santa Fe (the "City") and Arthur J. Gallagher & Co. (the "Contractor"). The date of this Agreement shall be the date when it is executed by the City and the Contractor, whichever occurs last.

1. SCOPE OF SERVICES

The Contractor shall provide the following services for the City:

A. Act as an independent insurance advisor to the City and proactively provide ongoing unbiased professional advice and recommendations that benefit the City and its members. Meet with City Risk Management staff, City committees, and /or staff of City departments as requested.

B. Proactively provide ongoing review and analysis of the City's insurance programs and make any appropriate recommendations for coverage changes or new coverages. Provide early warning of rate and coverage changes or renewal problems and annually provide a comprehensive report that reviews all City insurance programs.

C. Assure that insurance policies are placed in a timely manner, without lapses in coverage periods, with reputable and financially responsible insurers. Advise in writing of any changes to insurance policy within 14 days.

D. Review policies and other documents in detail within 14 days of receipt of the documents to check the wording and accuracy of each policy, binder,

certificate, endorsement or other document received from the insurers to ensure the intended coverage is provided, and all coverage, terms, and conditions, and other wording is complete and accurate, and in compliance with financial arrangements and administrative procedures acceptable to the City.

E. When more than one market is approached for a line of coverage, provide the City with copies of declination letters and all premium quotations received with a summary of coverages explaining deficiencies or benefits of the quote compared to the recommended insurance program.

F. Issue certificates of insurance within three (3) business days following the date of request.

G. Comply with all State and Federal laws and regulations pertaining to insurance brokers licensed in the State of New Mexico.

H. Make available consultation services as well as loss control services as requested by the City. Assist in analyzing loss exposures from existing and new operations, and determine the appropriate risk management alternatives, including types, availability, cost, and extent of coverages that should be considered.

I. Provide oversight and ensure compliance of third party administrators assigned to handle the City accounts.

## 2. STANDARD OF PERFORMANCE; LICENSES

A. The Contractor represents that it possesses the personnel, experience and knowledge necessary to perform the services described under this Agreement.

B. The Contractor agrees to obtain and maintain throughout the term of this Agreement, all applicable professional and business licenses required by law, for itself, its employees, agents, representatives and subcontractors.

3. COMPENSATION

A. From July 1, 2012 to July 1, 2013, the City shall pay to the Contractor in full payment for services rendered, a sum not to exceed sixty five thousand dollars (\$65,000.00) inclusive of applicable gross receipts taxes. Effective July 1<sup>st</sup> of each fiscal year, the City shall pay to the Contractor in full payment for services rendered, \$65,000 plus a 3% annual increase, inclusive of applicable gross receipt taxes, for the remainder of the term of this Agreement.

B. The Contractor shall be responsible for payment of gross receipts taxes levied by the State of New Mexico on the sums paid under this Agreement.

C. Payment shall be made upon receipt, approval and acceptance by the City of monthly detailed statements containing a report of services completed. Compensation shall be paid only for services actually performed and accepted by the City.

4. APPROPRIATIONS

The terms of this Agreement are contingent upon sufficient appropriations and authorization being made by the City for the performance of this Agreement. If sufficient appropriations and authorization are not made by the City, this Agreement shall terminate upon written notice being given by the City to the Contractor. The City's decision as to whether sufficient appropriations are available shall be accepted by the Contractor and shall be final.

5. TERM AND EFFECTIVE DATE

This Agreement shall be effective when signed by the City and the Contractor, whichever occurs last, and shall terminate on June 30, 2020, unless sooner pursuant to Article 6 below.

6. TERMINATION

A. This Agreement may be terminated by the City upon 30 days written notice to the Contractor.

(1) The Contractor shall render a final report of the services performed up to the date of termination and shall turn over to the City original copies of all work product, research or papers prepared under this Agreement.

(2) Compensation is not based upon hourly rates for services rendered, it is based upon a monthly service basis, therefore, the City shall pay the Contractor for the reasonable value of services satisfactorily performed through the date Contractor receives notice of such termination, and for which compensation has not already been paid.

7. STATUS OF CONTRACTOR; RESPONSIBILITY FOR PAYMENT OF EMPLOYEES AND SUBCONTRACTORS

A. The Contractor and its agents and employees are independent contractors performing professional services for the City and are not employees of the City. The Contractor, and its agents and employees, shall not accrue leave, retirement, insurance, bonding, use of City vehicles, or any other benefits afforded to employees of the City as a result of this Agreement.

B. Contractor shall be solely responsible for payment of wages, salaries and benefits to any and all employees or subcontractors retained by Contractor in the performance of the services under this Agreement.

C. The Contractor shall comply with City of Santa Fe Minimum Wage, Article 28-1-SFCC 1987, as well as any subsequent changes to such article throughout the term of this Agreement.

8. CONFIDENTIALITY

Any confidential information provided to or developed by the Contractor in the performance of this Agreement shall be kept confidential and shall not be made available to any individual or organization by the Contractor without the prior written approval of the City.

9. CONFLICT OF INTEREST

The Contractor warrants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of services required under this Agreement. Contractor further agrees that in the performance of this Agreement no persons having any such interests shall be employed.

10. ASSIGNMENT; SUBCONTRACTING

The Contractor shall not assign or transfer any rights, privileges, obligations or other interest under this Agreement, including any claims for money due, without the prior written consent of the City. The Contractor shall not subcontract any portion of the services to be performed under this Agreement without the prior written approval of the City.

11. RELEASE

The Contractor, upon acceptance of final payment of the amount due under this Agreement, releases the City, its officers and employees, from all liabilities, claims and obligations whatsoever arising from or under this Agreement. The Contractor agrees not to purport to bind the City to any obligation not assumed herein by the City unless the Contractor has express written authority to do so, and then only within the strict limits of that authority.

12. INSURANCE

A. The Contractor, at its own cost and expense, shall carry and maintain in full force and effect during the term of this Agreement, comprehensive general liability insurance covering bodily injury and property damage liability, in a form and with an insurance company acceptable to the City, with limits of coverage in the maximum amount which the City could be held liable under the New Mexico Tort Claims Act for each person injured and for each accident resulting in damage to property. Such insurance shall provide that the City is named as an additional insured and that the City is notified no less than 30 days in advance of cancellation for any reason. The Contractor shall furnish the City with a copy of a Certificate of Insurance as a condition prior to performing services under this Agreement.

B. Contractor shall also obtain and maintain Workers' Compensation insurance, required by law, to provide coverage for Contractor's employees throughout the term of this Agreement. Contractor shall provide the City with evidence of its compliance with such requirement.

C. Contractor shall maintain professional liability insurance throughout the term of this Agreement providing a minimum coverage in the amount required under the New Mexico Tort Claims Act. The Contractor shall furnish the City with proof of insurance of Contractor's compliance with the provisions of this section as a condition prior to performing services under this Agreement.

13. INDEMNIFICATION

The Contractor shall indemnify, hold harmless and defend the City from all losses, damages, claims or judgments, including payments of all attorneys' fees and costs on account of any suit, judgment, execution, claim, action or demand whatsoever arising from Contractor's performance under this Agreement as well as the performance of Contractor's employees, agents, representatives and subcontractors.

14. NEW MEXICO TORT CLAIMS ACT

Any liability incurred by the City of Santa Fe in connection with this Agreement is subject to the immunities and limitations of the New Mexico Tort Claims Act, Section 41-4-1, et. seq. NMSA 1978, as amended. The City and its "public employees" as defined in the New Mexico Tort Claims Act, do not waive sovereign immunity, do not waive any defense and do not waive any limitation of liability pursuant to law. No provision in this Agreement modifies or waives any provision of the New Mexico Tort Claims Act.

15. THIRD PARTY BENEFICIARIES

By entering into this Agreement, the parties do not intend to create any right, title or interest in or for the benefit of any person other than the City and the Contractor. No person shall claim any right, title or interest under this Agreement or seek to enforce this Agreement as a third party beneficiary of this Agreement.

16. RECORDS AND AUDIT

The Contractor shall maintain, throughout the term of this Agreement and for a period of three years thereafter, detailed records that indicate the date, time and nature of services rendered. These records shall be subject to inspection by the City, the Department of Finance and Administration, and the State Auditor. The City shall have the right to audit the billing both before and after payment. Payment under this Agreement shall not foreclose the right of the City to recover excessive or illegal payments.

17. APPLICABLE LAW; CHOICE OF LAW; VENUE

Contractor shall abide by all applicable federal and state laws and regulations, and all ordinances, rules and regulations of the City of Santa Fe. In any action, suit or legal dispute arising from this Agreement, the Contractor agrees that the laws of the State of New Mexico shall govern. The parties agree that any action or suit arising from this Agreement shall be commenced in a federal or state court of competent jurisdiction in New Mexico. Any action or suit commenced in the courts of the State of New Mexico shall be brought in the First Judicial District Court.

18. AMENDMENT

This Agreement shall not be altered, changed or modified except by an amendment in writing executed by the parties hereto.

19. SCOPE OF AGREEMENT

This Agreement incorporates all the agreements, covenants, and understandings between the parties hereto concerning the services to be performed hereunder, and all such agreements, covenants and understandings have been merged into this Agreement. This Agreement expresses the entire Agreement and understanding

between the parties with respect to said services. No prior agreement or understanding, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in this Agreement.

20. NON-DISCRIMINATION

During the term of this Agreement, Contractor shall not discriminate against any employee or applicant for an employment position to be used in the performance of services by Contractor hereunder, on the basis of ethnicity, race, age, religion, creed, color, national origin, ancestry, sex, gender, sexual orientation, physical or mental disability, medical condition, or citizenship status.

21. SEVERABILITY

In case any one or more of the provisions contained in this Agreement or any application thereof shall be invalid, illegal or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions contained herein and any other application thereof shall not in any way be affected or impaired thereby.

22. NOTICES

Any notices required to be given under this Agreement shall be in writing and served by personal delivery or by mail, postage prepaid, to the parties at the following addresses:

City of Santa Fe  
Risk Management/ Safety Division  
200 Lincoln Avenue  
Santa Fe, NM 87504

Contractor: Arthur J. Gallagher & Co.  
15 Enterprise, Suite 200  
Aliso Viejo, CA 92656

IN WITNESS WHEREOF, the parties have executed this Agreement on the date set forth below.

CITY OF SANTA FE:

David Coss

DAVID COSS, MAYOR

DATE: 6/15/12

ATTEST:

Yolanda Y. Vigil  
YOLANDA Y. VIGIL  
CITY CLERK *Rec'd 6/15/12*

APPROVED AS TO FORM:

Geno Zamora for  
GENO ZAMORA, CITY ATTORNEY  
5/31/12

CONTRACTOR:  
Arthur J. Gallagher & Co.

By: Steve Younger  
(Name & Title)

Title: Area President

Date: 6-20-2012

Feb. ID, ORS# 94-3015711  
City of Santa Fe Business  
Registration # 12-111023

APPROVED:



DR. MELVILLE L. MORGAN, FINANCE DIRECTOR

06/14/12

62012 555 300  
Business Unit Line Item  
various funds



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
10/14/2014

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> 1-312-704-0100 Arthur J. Gallagher Risk Management Services, Inc.  300 South Riverside Plaza Suite 1900 Chicago, IL 60606 Direct all inquires to email  <b>INSURED</b> Arthur J. Gallagher & Co. Insurance Brokers of California, Inc. 18201 Von Karman, Suite #200  Irvine, CA 92612	<b>CONTACT NAME:</b> _____ <b>PHONE</b> _____ <b>FAX</b> _____ (A/C, No, Ext): (A/C, No): <b>E-MAIL ADDRESS:</b> Chi Certificates@ajg.com  <b>INSURER(S) AFFORDING COVERAGE</b> <b>INSURER A:</b> LEXINGTON INS CO NAIC # 19437 <b>INSURER B:</b> XL SPECIALTY INS CO 37885 <b>INSURER C:</b> _____ <b>INSURER D:</b> _____ <b>INSURER E:</b> _____ <b>INSURER F:</b> _____
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**COVERAGES** **CERTIFICATE NUMBER:** 41829491 **REVISION NUMBER:** \_\_\_\_\_

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
	<b>GENERAL LIABILITY</b> <input type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						EACH OCCURRENCE \$ DAMAGE TO RENTED PREMISES (Ea occurrence) \$ MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ GENERAL AGGREGATE \$ PRODUCTS - COMP/OP AGG \$
	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Ea accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/> UMBRELLA LIAB <input type="checkbox"/> OCCUR <input type="checkbox"/> EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below Y/N <input type="checkbox"/> N/A						<input type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ E.L. DISEASE - EA EMPLOYEE \$ E.L. DISEASE - POLICY LIMIT \$
A	Errors & Omissions			015012431	09/01/14	09/01/15	Each Wrongful Act 20,000,000
B	(Claims Made)			ELU13573314	09/01/14	09/01/15	Aggregate 20,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

<b>CERTIFICATE HOLDER</b>  For evidence of insurance coverage only	<b>CANCELLATION</b>  SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE  
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