



FINANCE COMMITTEE MEETING AGENDA

Commission Chambers

Tuesday, February 14, 2023

1:05 PM

FINANCE

- 1.** Motion to approve the minutes of the Finance Committee held on January 31, 2023.
- 2.** Approve Excess Workers' Compensation Insurance with Safety National Casualty with statutory limits and a \$1,000,000 Self Insured Retention (SIR – otherwise known as the deductible) to cover all positions for a premium of \$510,620.
- 3.** Motion to approve execution of first contract extension with Workers Compensation Provider, CorVel.
- 4.** Request to approve Augusta Commercial Property Insurance coverage for 2023 offered through Affiliated FM, current carrier, for a premium of \$815,966 for full blanket coverage and limited flood coverage in flood prone areas.
- 5.** Motion to approve Insurance Brokerage Services for 2023 RFQ item #22-274 offered through Marsh McLennan Agency, to include Commercial Property Insurance (including Boiler and Machinery), Public Officials Liability /Employment Practices Liability (POL/EPL), and maintain the Surety Bond for Augusta, GA and additional services as requested.

**Finance Committee****February 14, 2023****Minutes**

Department:	Clerk of Commission
Presenter:	N/A
Caption:	Motion to approve the minutes of the Finance Committee meeting held on January 31, 2023.
Background:	N/A
Analysis:	N/A
Financial Impact:	N/A
Alternatives:	N/A
Recommendation:	N/A
Funds are available in the following accounts:	N/A
<u>REVIEWED AND APPROVED BY:</u>	N/A



FINANCE COMMITTEE MEETING MINUTES

Commission Chambers
Tuesday, January 31, 2023
1:05 PM

FINANCE

PRESENT

Mayor Garnett Johnson
Commissioner Jordan Johnson
Commissioner Wayne Guilfoyle
Commissioner Francine Scott
Commissioner Stacy Pulliam

1. Discuss a workforce study to right size the Government in preparation of the budget shortfall coming in 2024 when the ARP money is exhausted. **(Requested by Commissioner Wayne Guilfoyle)**

Motion to approve directing the Administrator and staff to report back to the committee in 120 days with recommendations on ways to save money in the departments without increasing taxes due to anticipated budget shortfalls when the ARP money is exhausted.

Motion made by Guilfoyle, Seconded by Scott.

Voting Yea: Johnson, Guilfoyle, Scott, Pulliam

2. Motion to approve the minutes of the Finance Committee meeting held on January 9, 2023.

Motion to approve.

Motion made by Scott, Seconded by Guilfoyle.

Voting Yea: Johnson, Guilfoyle, Scott, Pulliam



Finance Committee

Meeting Date: February 14, 2023

Workers Comp Excess Insurance Renewal

Department:	Finance – Risk Management Division
Presenter:	Donna Williams
Caption:	Approve Excess Workers' Compensation Insurance with Safety National Casualty with statutory limits and a \$1,000,000 Self Insured Retention (SIR – otherwise known as the deductible) to cover all positions for a premium of \$510,620.
Background:	Excess Workers Compensation coverage (a per occurrence policy) has been purchased in the past as a measure to cap any potential catastrophic loss against Augusta-Richmond County. Augusta's current SIR is \$1,000,000. Stated simply each worker's compensation claim has the potential cost of \$1,000,000 to the government before the excess coverage policy takes effect.
Analysis:	<p>Past claim experience, current claim exposure, and potential future cost were considered. It was determined that an SIR of \$1,000,000 is appropriate for our level of risk. Corvel, our Workers' Compensation Third Party Administrator, was requested to obtain quotes from A or A+ companies.</p> <p>Corvel received the following quotes from the following companies: Safety National Casualty</p> <p>The following companies declined to provide an offer: Midwest Employers Arch Buffer Market – Fortegra (not competitive, verbal indication only)</p>
Financial Impact:	Maintaining the SIR of \$1,000,000 offers the greatest value to Augusta-Richmond County government.
Alternatives:	<p>) Increase current level of coverage to \$1,250,000 per claim at a cost of \$457,445 or</p> <p>2) Drop coverage accepting full exposure/cost for any catastrophic job-related injury.</p>
Recommendation:	Approve coverage with Safety National Casualty (lowest premium quote) with SIR of \$1,000,000 for all positions with Statutory Limit for a deposit premium of \$510,620.

Funds are available in 621 01 5233 55.21110 WC/Risk Management
the following accounts:

REVIEWED AND

APPROVED BY:

Finance

Law

Administrator

Clerk of Commission



Gallagher

Insurance | Risk Management | Consulting

Item 2.



Augusta-Richmond County

Risk Management & Insurance Executive Summary

1.26.2023

Presented by:

Scott Thomason | Regional Director, Public Sector

Matt Simmons | Director, Public Sector

John Beckett | Client Account Executive



Gallagher

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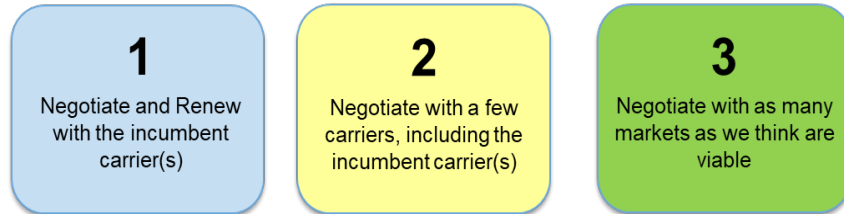
1

2

3

Go To Market Strategy

Based on forecasted market conditions, your risk profile and your loss experience Gallagher has recommended a Go-To-Market strategy as follows:



Augusta-Richmond County

#	Line of Coverage	Incumbent Market	GTM Strategy	Notes/Comments
1	Excess Workers Comp	Safety National	3 Full Marketing	Full marketing effort in 2023 due to recent loss experience
2	Buffer Workers Comp	N/A	2 Few Markets	Buffer layer levels and markets will be marketed once excess layer is completed
3				

Typical Underwriting Information Requested:

1. Updated Exposures – Estimated Payroll by Class Code
2. Completed Carrier Applications
3. Qualitative Information / Risk Control Program Accomplishments

Marketing Results

1. Safety National - Quoted

- A. Provided multiple retention options of \$1M (Expiring), \$1.25M and \$1.5M

2. Midwest Employers - Declined

- A. Would require split retentions of \$1M/\$2.5M (All other employees/Police and Fire)
- B. Premium indication would not be competitive starting at \$500k for higher retentions

3. Arch - Declined

- A. Minimum retention would be at least \$2M
- B. Pricing would not be competitive

4. Buffer Market - Fortegra

- C. Not competitive – verbal indication only

Renewal Options

Augusta Richmond

Policy Effective Date:	3/1/2023	Broker:	Scott Thomason
Policy Expiration Date:	3/1/2024	Issue Date:	1/23/2023

Program Overview	Expiring	Option 1	Option 2	Option 3
Excess Workers Compensation				
Carrier	Safety National	Safety National	Safety National	Safety National
AM Best Rating	A++, XV	A++, XV	A++, XV	A++, XV
Estimated Payroll	\$130,700,718	\$134,621,738	\$134,621,738	\$134,621,738
Minimum Premium	90%	90%	90%	90%
Policy Term	1 Year	1 Year	1 Year	1 Year
Exposure Change		3.0%	3.0%	3.0%

Coverage Details				
Excess Workers Comp				
Workers Comp Limit	Statutory	Statutory	Statutory	Statutory
Employers Liability Limit	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Self-Insured Retention (SIR)	\$1,000,000	\$1,000,000	\$1,250,000	\$1,500,000
Police/Fire SIRs	\$1,000,000	\$1,000,000	\$1,250,000	\$1,500,000
Aggregate Attachment				
Aggregate Limit				

Premium+ Details				
Excess Workers Comp				
Annual (Deposit) Premium	\$422,948	\$510,620	\$457,445	\$399,692
Payroll Basis	Estimated	Estimated	Estimated	Estimated
Buffer Layer				
Annual (Deposit) Premium				
Payroll Basis				
Risk Management Services				
Risk Mgmt Fee	N/A	N/A	N/A	N/A
Total Premium+	\$422,948	\$510,620	\$457,445	\$399,692
Net Rate Change		17.73%	5.16%	-8.50%

Ground up Loss Projection	\$3,282,612	\$3,919,320	\$3,919,320	\$3,919,320
Projected Excess Losses	-\$362,837	-\$633,428	-\$533,428	-\$433,428
Total Cost of Risk	\$3,342,723	\$3,796,512	\$3,843,337	\$3,885,584
Net TCOR Change		13.6%	15.0%	16.2%
Cost per \$100/Payroll	\$2.56	\$2.82	\$2.85	\$2.89

DISCLAIMER: Premium+ includes any surplus lines taxes and fees if applicable. Broker Compensation is included unless specified as a broker fee. Risk management fees are for additional risk consulting services unrelated to the coverage placement. This summary is an outline of certain terms and conditions of the insurance proposed and does not include all of the terms, coverages, exclusions, and conditions of the actual policy language. We make no warranties with respect to policy limits, deductibles, or coverage considerations of the carrier.



Gallagher

Insurance | Risk Management | Consulting



Augusta-Richmond County

Risk Management & Insurance Executive Summary

1.26.2023

Presented by:

Scott Thomason | Regional Director, Public Sector

Matt Simmons | Director, Public Sector



Gallagher

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About Gallagher

Gallagher companies plan and administer a full array of insurance, risk management, self-insurance, claims management, and employee benefit products and services. Areas of industry specialization include higher education, healthcare and senior living, life sciences, construction, media and entertainment, public entity, and real estate.

1927	39,000+	850+	150	\$6.9B	28+
FOUNDING YEAR	EMPLOYEES WORLDWIDE	OFFICES IN 68 COUNTRIES	COUNTRIES SERVED	REVENUE (2021)	INDUSTRY PRACTICES

To support these market segments, we have developed coverage specialties that include Surety, Property, General Liability, Employee Benefits, Executive Lines, Workers' Compensation, Cyber Liability, Fine Arts, Aviation, Foreign Liability, Marine, and Owner- and Contractor-Controlled Insurance Programs, among others.

Gallagher is comprised of several divisions; all working in tangent to provide you with the best services possible depending on your unique needs. Our primary US divisions are:

RETAIL



Insurance | Risk Management | Consulting

REINSURANCE



CLAIMS



WHOLESALE

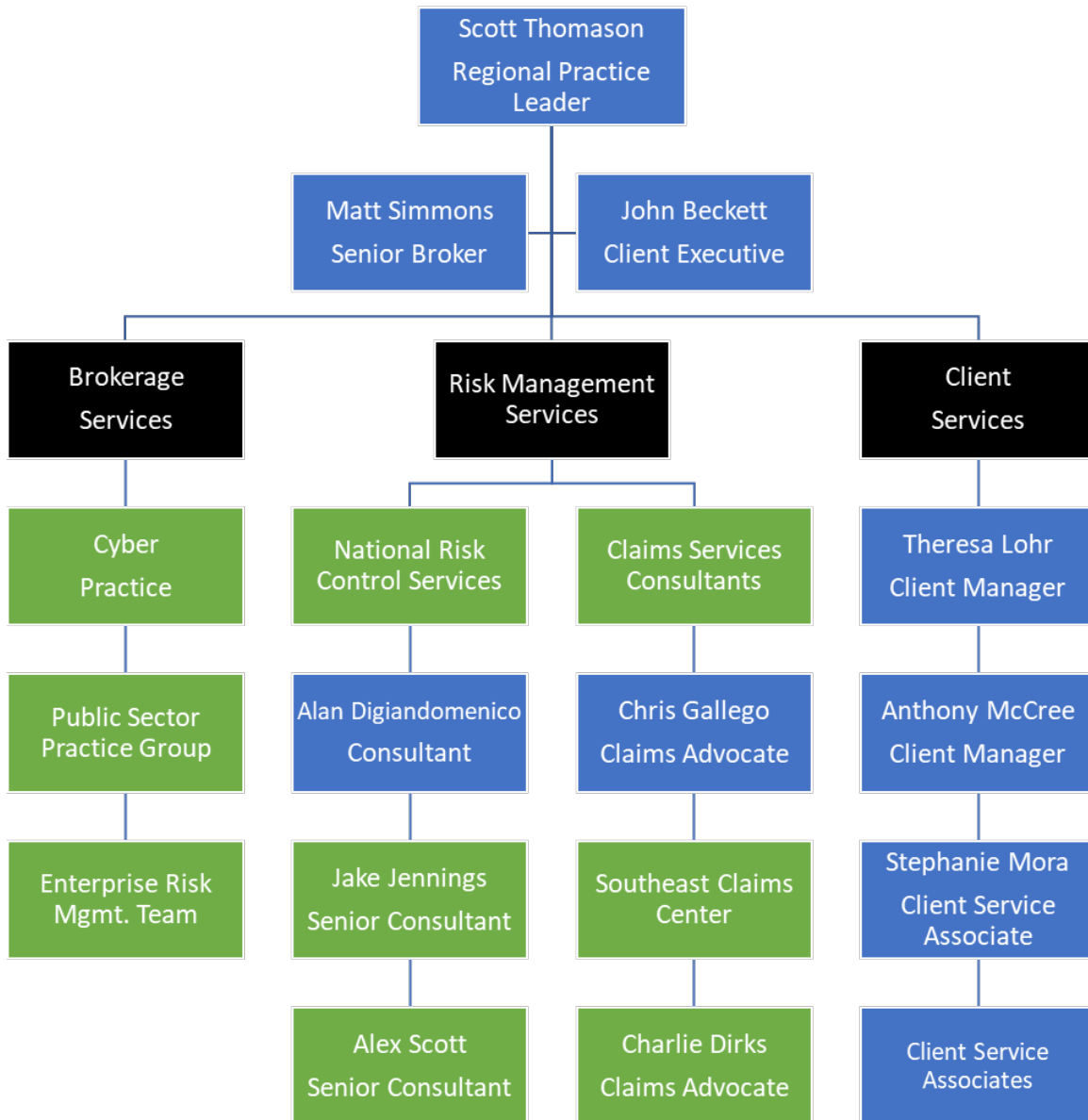


ALTERNATIVE RISK



Your Gallagher Team

Your core service team is based in Atlanta and specializes in Public Sector business. Our Atlanta team is responsible for placing coverage for approximately \$40m in premium and managing a total cost of risk of over \$60m through over 50 southeast public entities.



Our Core 360 Approach

CORE360® is our unique comprehensive approach of evaluating our clients' risk management program that leverages our analytical tools and diverse resources for customized, maximum impact on six cost drivers of their total cost of risk. The term Total Cost of Risk (TCOR) is not new and is widely used throughout the insurance industry.

Unlike traditional Total Cost of Risk conversations, we consult with you to understand all of your actual *and potential* costs, and the strategic options to reallocate these costs with smart, actionable insights. This will empower you to know, to control and to minimize your total cost of risk and improve your budget and financial results.





Expiring Program

A strategic approach to marketing and impacting your premiums and total cost of risk.



Renewal Premium and Exposure Comparison March 1st, 2022 to March 1st, 2023

	Expiring Program 2021-2022	Renewal Program 2022-2023 Bound	% Change vs Expiring
Carrier Information	Safety National	Safety National	
Financial Rating	A++, XV	A++, XV	
Broker Commission	15%	15%	
<u>COVERAGE</u>			
Workers Comp Limit	STATUTORY	STATUTORY	
Employers Liability Limit	\$1,000,000	\$1,000,000	
Self-Insured Retention (SIR)	\$1,000,000	\$1,000,000	
Police/Fire SIRs	\$1,000,000	\$1,000,000	
Corridor Deductible	None	None	
Terrorism / TRIA Coverage	Included	Included	
Aggregate Limit	None	None	
Aggregate Retention	None	None	
Aggregate Loss Limitation	None	None	
<u>EXPOSURE & RATING</u>			
Estimated Annual Payroll	\$113,253,745	\$130,700,718	15.4%
Policy Premium	\$349,048	\$422,948	21.2%
Rate per \$100 Payroll	0.3082	0.3236	<u>5.0%</u>
Minimum Earned	90%	90%	
Risk Management Fee	None	None	
Claims TPA Fee	Corvel	Corvel	
Total Cost	\$349,048	\$422,948	21.2%
Net Change			5.8%

Loss Analytics

Augusta-Richmond County

Ground Up, Unlimited, and Incurred Losses

Years: 10
Valuation: 12/1/2022



Incurred Loss Summary		
Policy Year	# Claims	Losses
2013	299	\$1,769,808
2014	319	\$5,653,553
2015	249	\$2,225,816
2016	272	\$4,114,672
2017	254	\$2,460,130
2018	284	\$3,336,245
2019	268	\$3,350,605
2020	262	\$6,572,074
2021	265	\$2,400,573
2022	199	\$942,646
Totals	2,671	\$32,826,123
Annual Average	267	\$3,282,612

Losses XS
\$750,000
\$0
\$2,543,967
\$0
\$564,019
\$0
\$0
\$0
\$0
\$1,520,382
\$0
\$0
\$0
\$4,628,368
\$462,837

Losses XS
\$1,000,000
\$0
\$2,293,967
\$0
\$314,019
\$0
\$0
\$0
\$0
\$1,020,382
\$0
\$0
\$0
\$3,628,368
\$362,837

Losses XS
\$1,250,000
\$0
\$2,043,967
\$0
\$64,019
\$0
\$0
\$0
\$0
\$520,382
\$0
\$0
\$0
\$2,628,368
\$262,837

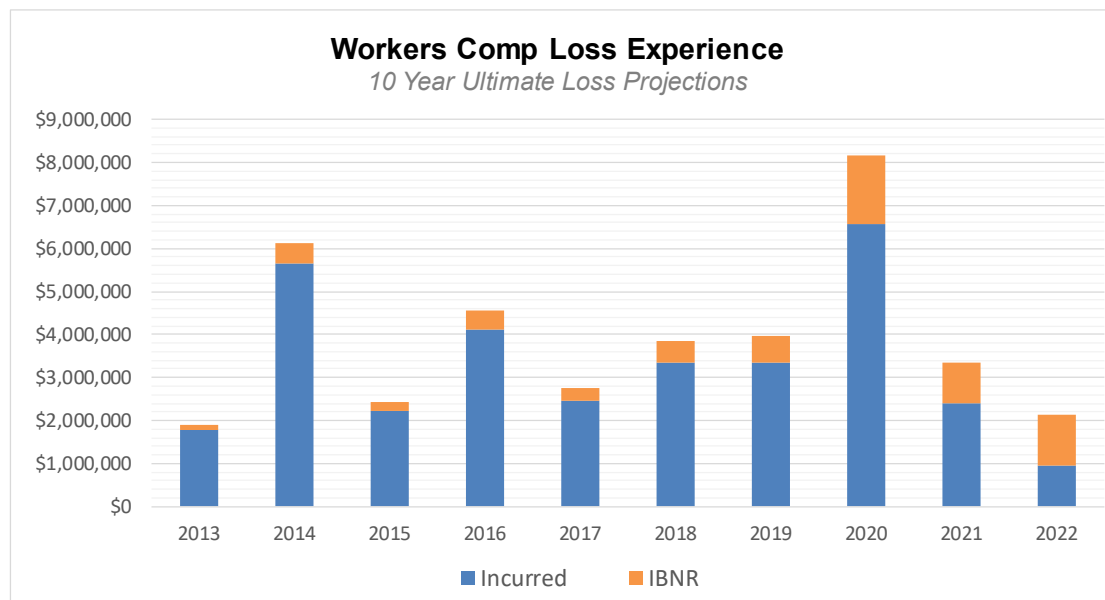
Losses XS
\$1,500,000
\$0
\$1,793,967
\$0
\$0
\$0
\$0
\$0
\$263,007
\$0
\$0
\$0
\$2,056,974
\$205,697

Selected Ultimate Loss Projection		
Policy Year	Months	Losses
2013	118	\$1,769,808
2014	106	\$5,653,553
2015	94	\$2,225,816
2016	82	\$4,114,672
2017	70	\$2,460,130
2018	58	\$3,336,245
2019	46	\$3,350,605
2020	34	\$6,572,074
2021	22	\$2,400,573
2022	10	\$942,646
Totals		\$32,826,123
Annual Average		\$3,282,612

Loss Develop Factors*
1.074
1.084
1.095
1.105
1.119
1.151
1.182
1.240
1.394
2.261

Incurred But Not Reported
\$130,495
\$475,440
\$210,467
\$432,534
\$292,755
\$503,773
\$609,810
\$1,577,298
\$945,826
\$1,188,676
\$6,367,076
\$636,708

Estimated Ultimate
\$1,900,303
\$6,128,993
\$2,436,284
\$4,547,207
\$2,752,885
\$3,840,018
\$3,960,415
\$8,149,372
\$3,346,399
\$2,131,322
\$39,193,199
\$3,919,320



Note*: Gallagher uses NCCI and industry data for loss development, trending factors like inflation(CPI), benefit level adjustment factors.



Augusta-Richmond County

Ground Up, Unlimited, and Incurred Losses

Years: 10

Valuation: 12/1/2022

Claim Metrics	Claim Count	Open Claim Count	Closed Claim Count	Report Only Claim Count	Medical Claim Count	Indemnity Claim Count
2013	299	0	299	68	201	30
2014	319	2	317	73	189	57
2015	249	2	247	5	190	54
2016	272	6	266	7	187	78
2017	254	3	251	13	158	83
2018	284	4	278	6	200	78
2019	268	6	257	14	172	82
2020	262	14	246	8	156	98
2021	265	27	232	12	161	92
2022	199	66	130	16	130	53
Totals	2,671	130	2,523	222	1,744	705
Annual Average	267	13	252	22	174	71

Pure Loss Rate Calculation	Developed Losses	Payroll Trend Factors*	Ultimate Losses	Loss per \$100 Payroll
Policy Year	Payroll			
2013	\$98,164,143	1.254	\$2,382,528	\$2.43
2014	\$100,167,492	1.247	\$7,643,489	\$7.63
2015	\$102,211,727	1.251	\$3,048,067	\$2.98
2016	\$104,297,681	1.221	\$5,552,279	\$5.32
2017	\$106,426,205	1.199	\$3,301,533	\$3.10
2018	\$108,598,168	1.176	\$4,515,423	\$4.16
2019	\$111,822,420	1.146	\$4,538,129	\$4.06
2020	\$111,822,420	1.097	\$8,938,176	\$7.99
2021	\$113,253,745	1.059	\$3,544,841	\$3.13
2022	\$130,700,718	1.061	\$2,260,267	\$1.73
TOTALS	\$1,087,464,719		\$45,724,731	
Pure Loss Rate	\$108,746,472		\$4,572,473	\$4.20

Ultimate & Trended Large Losses	Losses XS	Losses XS	Losses XS	Losses XS
Policy Year				
2013	\$750,000	\$1,000,000	\$1,250,000	\$1,500,000
2014	\$0	\$0	\$0	\$0
2015	\$3,703,376	\$3,453,376	\$3,203,376	\$2,953,376
2016	\$0	\$0	\$0	\$0
2017	\$1,023,118	\$773,118	\$523,118	\$273,118
2018	\$0	\$0	\$0	\$0
2019	\$0	\$0	\$0	\$0
2020	\$0	\$0	\$0	\$0
2021	\$2,607,791	\$2,107,791	\$1,607,791	\$1,107,791
2022	\$0	\$0	\$0	\$0
Totals	7,334,285	6,334,285	5,334,285	4,334,285
Annual Average	\$733,428	\$633,428	\$533,428	\$433,428

Loss Projections	Incurred Loss Pick	Developed Loss Pick	Pure Rate Loss Method	Selected Loss Pick
Policy Year				
2023	\$135,000,000	\$3,282,612	\$5,676,358	\$4,292,763

Note*: Gallagher uses NCCI and industry data for loss development, trending factors like inflation(CPI), benefit level adjustment factors.



Large Loss Development

Claim_Number	Location Level	Date of Loss	Incurred 12.20	Incurred 12.20	Change in Pa	Change in Reserv	Change in Incurr
0604-WC-17-0000046	000020 - AUGUSTA- FIRE DEPARTMENT	2/18/2017	\$434,985	\$519,275	\$32,303	\$51,987	\$84,290
0604-WC-11-0500526	000039 - AUGUSTA- ROADS & BRIDGES	1/25/2012	\$462,679	\$1,471,164	\$62,821	\$945,664	\$1,008,485
0604-WC-14-0500395	000040 - AUGUSTA- SHERIFF	3/21/2014	\$645,397	\$3,293,967	\$80,059	\$2,568,512	\$2,648,570
0604-WC-13-0500286	FACILITIES MAINTENANCE	1/15/2013	\$698,093	\$996,959	\$49,799	\$249,067	\$298,866
0604-WC-95-0500506	000020 - AUGUSTA- FIRE DEPARTMENT	4/28/2020	\$703,451	\$703,459	\$8	\$0	\$8
0604-WC-20-0000217	000052 - AUGUSTA- LANDFILL	8/26/2020	\$713,452	\$1,763,007	\$230,368	\$819,187	\$1,049,555
0604-WC-03-0500531	000040 - AUGUSTA- SHERIFF	1/31/2014	\$732,853	\$732,853	\$58,304	(\$58,304)	\$0
0604-WC-09-0500551	000040 - AUGUSTA- SHERIFF	11/3/2009	\$795,699	\$795,699	\$33,941	(\$33,941)	\$0
0604-WC-11-0500281	000020 - AUGUSTA- FIRE DEPARTMENT	2/8/2011	\$811,916	\$811,916	\$35,700	(\$35,700)	\$0
0604-WC-20-0000240	000040 - AUGUSTA- SHERIFF	9/2/2020	\$835,625	\$1,257,375	\$226,913	\$194,837	\$421,750
0604-WC-90-0500241	000040 - AUGUSTA- SHERIFF	12/8/2004	\$1,254,688	\$1,254,688	\$17,717	(\$17,717)	\$0
0604-WC-98-0500967	000056 - AUGUSTA- TRANSIT	11/20/1998	\$1,279,212	\$1,279,212	\$31,573	(\$31,573)	\$0
0604-WC-16-0000114	000052 - AUGUSTA- LANDFILL	5/5/2016	\$1,314,019	\$1,314,019	\$45,993	(\$45,993)	\$0
0604-WC-06-0500436	000056 - AUGUSTA- TRANSIT	7/6/2006	\$1,692,241	\$787,918	\$22,221	(\$926,544)	(\$904,324)



Renewal Forecast

Augusta Richmond County Commission

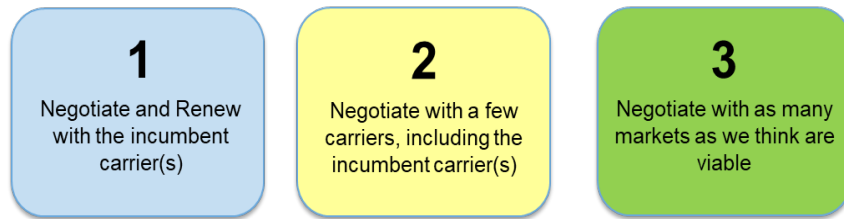
Forecasted 2023 Excess Workers Comp Insurance Costs

Line of Business	Expiring Premium+	Exposure Change	Market Changes	Account Modifier	Forecasted Premium+	Premium Change	Overall Change
Property							
Equipment Breakdown							
Inland Marine							
Terrorism - Stand Alone							
Automobile Liability							
Auto Physical Damage							
General Liability							
Law Enforcement Liability							
Employment Practices							
Errors & Omissions							
Excess - First Layer							
Excess - Second Layer							
Excess - Third Layer							
Primary Workers Comp							
Excess Workers Comp	\$422,948	5%	5%	35%	\$629,505	\$206,557	48.8%
Buffer Layer Workers Comp		The SIR may increase to \$1.5m					
Risk Management Fees	Nil				Nil		
Claims TPA Fees							
Cyber - Primary							
Cyber - Excess							
Crime - Primary							
Crime - Excess							
Fiduciary Liability							
Bonds							
Off-Duty Liability							
Municipal Workforce AD&D							
Pollution Liability							
Total Premium+	\$422,948				\$629,505	\$206,557	48.8%

DISCLAIMER: Premium+ includes premiums and any surplus lines taxes and/or fees if applicable. This is a subjective premium+ forecast only and does not represent actual market conditions or available insurance products.

Go To Market Strategy

Based on forecasted market conditions, your risk profile and your loss experience Gallagher has recommended a Go-To-Market strategy as follows:



Augusta-Richmond County

#	Line of Coverage	Incumbent Market	GTM Strategy	Notes/Comments
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Augusta Richmond

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AM Best Rating	A++, XV	A++, XV	A++, XV	A++, XV
Estimated Payroll	\$130,700,718	\$134,621,738	\$134,621,738	\$134,621,738
Minimum Premium	90%	90%	90%	90%
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Coverage Details				
Excess Workers Comp				
Workers Comp Limit	Statutory	Statutory	Statutory	Statutory
Employers Liability Limit	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
Self-Insured Retention (SIR)	\$1,000,000	\$1,000,000	\$1,250,000	\$1,500,000
Police/Fire SIRs	\$1,000,000	\$1,000,000	\$1,250,000	\$1,500,000
Aggregate Attachment				
Aggregate Limit				

Premium+ Details				
Excess Workers Comp				
Annual (Deposit) Premium	\$422,948	\$510,620	\$457,445	\$399,692
Payroll Basis	Estimated	Estimated	Estimated	Estimated
Buffer Layer				
Annual (Deposit) Premium				
Payroll Basis				
Risk Management Services				
Risk Mgmt Fee	N/A	N/A	N/A	N/A
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Cost per \$100/Payroll	\$2.56	\$2.82	\$2.85	\$2.89

DISCLAIMER: Premium+ includes any surplus lines taxes and fees if applicable. Broker Compensation is included unless specified as a broker fee. Risk management fees are for additional risk consulting services unrelated to the coverage placement. This summary is an outline of certain terms and conditions of the insurance proposed and does not include all of the terms, coverages, exclusions, and conditions of the actual policy language. We make no warranties with respect to policy limits, deductibles, or coverage considerations of the carrier.

Safety National Casualty Corporation
1832 Schuetz Road
St. Louis, MO 63146

Item 2.

PHONE # (314) 995-5300

FAX # (314) 995-3843

TO:	GALLAGHER, ARTHUR J & COMPANY	ATTN:	John Beckett
PHONE:	(678) 393-5221	FAX:	(678) 393-5220
FROM:	JD Smith	DATE:	01/13/2023

EXCESS WORKERS' COMPENSATION INSURANCE QUOTATION

Name of Risk: AUGUSTA/RICHMOND COUNTY
Account: 6016184 Previous Policy Number: SP 4066334
Specific Excess Only

Contract Terms	Option 16538553995	Option 16538553871
Liability Period	03/01/2023 - 03/01/2024	03/01/2023 - 03/01/2024
Payroll Reporting Period	03/01/2023 - 03/01/2024	03/01/2023 - 03/01/2024
Payroll	\$ 134,621,738	\$ 134,621,738
Manual Premium	\$ 2,847,168	\$ 2,847,168
Experience Modification Factor	1.000	1.000
Standard Premium	\$ 2,847,168	\$ 2,847,168
Self-Insured Retention	\$ 1,500,000	\$ 1,250,000
Specific Limit	Statutory	Statutory
Employers Liability Limit	Per Occ \$ 1,000,000	Per Occ \$ 1,000,000
Premium Rate	Rate \$100 Payroll \$ 0.2969	Rate \$100 Payroll \$ 0.3398
Deposit Premium	\$ 399,692	\$ 457,445
Minimum Premium	\$ 359,723	\$ 411,701
Commission	Adjustable 15.00 %	Adjustable 15.00 %
Pay Plan	ANNUAL PAYMENT	ANNUAL PAYMENT
Audit Type	Voluntary	Voluntary

*Quote expires 1 day after Payroll Reporting Period effective date for each Quote Option.

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PHONE:	(678) 393-5221	FAX:	(678) 393-5220
FROM:	JD Smith	DATE:	01/13/2023

EXCESS WORKERS' COMPENSATION INSURANCE QUOTATION

Name of Risk: AUGUSTA/RICHMOND COUNTY
Account: 6016184 Previous Policy Number: SP 4066334
Specific Excess Only

Contract Terms	Option 16467206867
Liability Period	03/01/2023 - 03/01/2024
Payroll Reporting Period	03/01/2023 - 03/01/2024
Payroll	\$ 134,621,738
Manual Premium	\$ 2,847,168
Experience Modification Factor	1.000
Standard Premium	\$ 2,847,168
Self-Insured Retention	\$ 1,000,000
Specific Limit	Statutory
Employers Liability Limit	Per Occ \$ 1,000,000
Premium Rate	Rate \$100 Payroll \$ 0.3793
Deposit Premium	\$ 510,620
Minimum Premium	\$ 459,558
Commission	Adjustable 15.00 %
Pay Plan	ANNUAL PAYMENT
Audit Type	Voluntary

*Quote expires 1 day after Payroll Reporting Period effective date for each Quote Option.

Safety National Casualty Corporation**1832 Schuetz Road
St. Louis, MO 63146**

Item 2.

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FAX # (314) 995-3843

TO:	GALLAGHER, ARTHUR J & COMPANY	ATTN:	John Beckett
PHONE:	(678) 393-5221	FAX:	(678) 393-5220
FROM:	JD Smith	DATE:	01/13/2023

EXCESS WORKERS' COMPENSATION INSURANCE QUOTATION**Endorsements:****General Endorsements applicable to all quote options:**0241 02 0196 (XWC) INCIDENTAL LONGSHOREMEN'S AND HARBOR WORKERS' COMPENSATION ACT
COVERAGE ENDORSEMENT - STATE BENEFITS

0276 02 0408 (XWC) BROAD FORM ALL STATES FOR EMPLOYEE TRAVEL

0291 00 0708 (XWC) VOLUNTARY COMPENSATION ENDORSEMENT-PREMIUM DELINEATION

0293 00 0906 (XWC) FOREIGN VOLUNTARY WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY

0385 02 0908 (XWC) 90-DAY NOTICE OF CANCELLATION TO EMPLOYER

0456 00 0113 (XWC) BLANKET WAIVER OF SUBROGATION

1195 01 1207 (XWC) GEORGIA GENERAL CANCELLATION AND NON-RENEWAL ENDORSEMENT

GEORGIA MANDATORY ENDORSEMENT(S), IF APPLICABLE

6000 00 0121 (XWC) TERRORISM RISK INSURANCE PROGRAM

REAUTHORIZATION ACT ENDORSEMENT

Comments:

1. Endorsements mandated by the coverage state(s) will automatically be added to your policy regardless of whether they are shown in the above schedule. In addition, a change in an endorsement form number may occur as a result of state filing requirements/updates arising subsequent to this quote.
2. Included in our quote: MAP Client Services. These resources consist of both risk control and claim services, including resources like Safety Essentials Online, Workers' Comp Kit, Safety Training Source, and Office Ergonomics Solution. Medical Management Program: These services help facilitate complicated claims towards the best-possible outcome. Available services include Catastrophic Claims Consulting, Impartial Medical Review, Long-Term Claims Evaluation, and Chronic Pain & Opioid Dependency Programs.
3. This Agreement will include coverage for Workers' Compensation loss caused by acts of terrorism as defined in the Agreement. Coverage for such losses will still be subject to all terms, definitions, exclusions, and conditions in the Agreement, & any applicable federal and/or state laws, rules, or regulations. Be advised that, under the Terrorism Risk Insurance Act of 2002 as amended, extended, and/or re-authorized (the Act), terrorism losses would be partially reimbursed by the U.S. Government under a formula established by the Act. Under this formula, the U.S. Government would generally reimburse 80% of covered terrorism losses exceeding a deductible paid by us. The Act contains \$100 billion cap that limits the reimbursement from the U.S. Government as well as from all insurers. If aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced. The portion of the EMPLOYER's annual premium attributable to coverage for losses caused by a certified act of terrorism is: 0.5%
4. Commission shall be fully earned by the Broker of Record at the inception of the Payroll Reporting Period as identified on the bound Excess Workers Compensation Insurance Quotation.
5. The Excess Workers Compensation program quoted is contingent upon also binding any other lines quoted with Safety National. Safety National may consider providing revised or additional quote options for individual lines of coverage subject to further underwriting review and approval.
6. We reserve the right to re-review the terms being offered should there be any revisions to the exposures subsequent to quoting and prior to program inception.
7. Endorsement 0293.00, Foreign Voluntary Workers' Compensation and Employers' Liability, will include a repatriation limit of \$25,000 and an EL limit of \$100,000.



Your Service Team

Safety National is committed to providing industry leading services to our policyholders. The Service Team is the keystone to that promise. This highly experienced team is identified now and established early in the policy term so there is a seamless transition and efficient delivery of service for your client's needs. The Service Team consists of a one point contact in underwriting, claims, risk control, and audit.

We welcome the opportunity for you to experience our commitment to your success by contacting any member of our team with your questions or requests.

JD Smith Senior Underwriter	(470) 266-2144	jd.smith@Safetynational.com
Ariel Jenkins MAP Client Services	(314) 692-1385	ariel.jenkins@safetynational.com
Mike Harris VP Claims	(314) 692-9516	michael.harris@safetynational.com
Tammy Rainwater Premium Audit	(314) 810-5576	tammy.rainwater@safetynational.com

CRISIS PROTECTION WORKERS' COMPENSATION



Safety National Crisis Protection® is a crisis management and extraction benefit provided exclusively for Safety National's excess, large deductible and select guaranteed cost workers' compensation customers. If your business undergoes a qualifying "Domestic Crisis Event" that directly involves your business and involves the death of two or more of your employees, Safety National® will either pay one of our approved vendors to assist with crisis management or reimburse you directly for the approved costs incurred with a vendor of your choice. If you experience a qualifying "International Extraction Crisis Event" that requires international employee extraction, we will reimburse you directly for the approved costs.

How Does It Work?

If a qualifying "Domestic Crisis Event" or "International Extraction Crisis Event" occurs, Safety National Crisis Protection will help you minimize post-crisis risk to the organization, its stakeholders and employees directly involved in the event (including immediate family of the involved employee). The annual, aggregate limit for these complimentary benefits, or any combination of the two, is \$50,000. These benefits are accessible when you need them and are provided by Safety National free of charge.

"Domestic Crisis Events" Include:

Multiple employee deaths (two or more) resulting from the following man-made events:

- Explosion
- Arson
- Bombing
- Workplace Violence
- Structural Fire
- Vehicular Accident

Multiple employee deaths (two or more) resulting from the following natural disasters:

- Tornado
- Explosion
- Wildfire
- Structural Fire
- Earthquake and Any Resulting Tsunami Hurricane
- Flood

"International Extraction Crisis Events" Include:

Employee extraction necessitated by the following:

MAN-MADE EVENTS:

- Explosion
- Arson
- Bombing
- Riot
- Government Collapse & Political Unrest

NATURAL DISASTERS:

- Tornado
- Explosion
- Wildfire
- Earthquake and Any Resulting Tsunami
- Cyclone/Typhoon/Hurricane
- Flood

LEARN MORE

For more information about Safety National Crisis Protection, please visit safetynational.com/crisis-protection-WC. If you have additional questions about this free benefit, please contact us at crisisprotection@safetynational.com.

Benefits:

- Provided at no cost to policyholders, with a \$50,000 annual, aggregate benefit limit for a qualifying "Domestic Crisis Event," a qualifying "International Extraction Crisis Event" or any combination of the two.
- A 24-hour crisis hotline to preferred and approved "Domestic Crisis Event" vendors.
- Benefit extends to immediate family of an employee that is directly involved in the "Domestic Crisis Event."
- The benefit can be used for qualified "Domestic Crisis Events" to help with:
 - » Crisis Management
 - » Crisis Response
 - » Public Relations
 - » Emergency Psychological Treatment
- Includes crisis communication and media management.
- Short-term counseling and referral for directly involved employees and their immediate family.



SAFETY NATIONAL AT A GLANCE

A.M. Best Rating A++ (Superior)
Financial Size Category XV

Item 2.

Why Safety National?

- Leading specialty insurance carrier, offering a variety of risk solutions for large commercial and public entity clients.
- Long-time presence in the market, providing uninterrupted service to thousands of customers nationwide for over 75 years.
- Relationship-focused approach to customer service, listening closely to customer needs and designing flexible programs and placements to address them.
- Unique claims and medical management proficiency, managing complex claims efficiently and effectively.

Financial Strength*

- Statutory surplus: \$3.3 billion (11.8% increase over 12/20)
- GAAP Stockholders' equity: \$5 billion (8.4% increase over 12/20) and \$13.7 billion in assets
- A.M. Best Rating A++ (Superior), Financial Size Category XV
- Standard & Poor's Rating A+
- A member of the Tokio Marine Group, with approximately \$235 billion in total assets. The Group's main operating subsidiary, Tokio Marine & Nichido Fire (TMNF), maintains an A.M. Best rating of A++ (Superior), Financial Size Category XV.

*as of 12/21

Solutions

Workers' Compensation:

- Excess
- Large Deductible
- Large Guaranteed Cost
- Defense Base Act
- TEXcess

Public Entity Liability:

- Law Enforcement Liability
- Public Officials Liability
- Educators Legal Liability

Commercial Auto

Commercial General Liability

Construction Risk

Cyber Risk

Reinsurance

Loss Portfolio Transfers

Captives

Self-Insurance Bonds

Services

- **Medical Management Resources:** Supplemental programs designed to help manage complicated claims towards best possible outcomes.
- **MAP Client Services:** A full suite of online resources designed to help build or enhance safety and compliance programs.
- **Risk Control Services:** A vetted network of highly-qualified consultants available to assist with on-site safety and risk control projects.

12/2021



(888) 995-5300 · info@safetynational.com · safetynational.com
A member of the Tokio Marine Group



Finance Committee Meeting

Meeting Date: 2/14/23

Workers Compensation Administration Services

Department:	Finance – Risk Management Division
Presenter:	Donna Williams
Caption:	Motion to approve continued service with Workers Compensation Provider, CorVel, for renewal for Year 4.
Background:	Augusta issued RFP 20-123 for third party administration of Worker Compensation Services. Contract was awarded to Corvel in February 2020 for a three year term with two one year extensions.
Analysis:	Corvel has provided quality services in this area. We recommend exercising the first one year extension of this contract.
Financial Impact:	\$90,000 for contract term 3/1/23-2/29/24
Alternatives:	Consider new RFP for Worker Compensation Administration Services.
Recommendation:	Approve current vendor, Corvel, for 1 year renewal, year 4 of existing contract 3/1/23-2/29/24.

Funds are available in the following accounts: 621-015231

REVIEWED AND APPROVED BY:

Finance
Law
Administrator
Clerk of Commission



Finance Committee Meeting

Meeting Date: 2/14/23

2023 Commercial Property Insurance Renewal

Department:	Finance – Risk Management Division
Presenter:	Donna Williams
Caption:	Request to approve Augusta Commercial Property Insurance coverage for 2023 offered through Affiliated FM, current carrier, for a premium of \$815,966 for full blanket coverage and limited flood coverage in flood prone areas.
Background:	Augusta has elected to use Property Insurance Broker Services and carry commercial property insurance on its properties since consolidation. The Risk Management Office staff inspects all Augusta properties annually and works with insurance company engineers in helping to reduce risk of property loss to Augusta.
Analysis:	Assured Partners of Georgia seeks annual quotes from the insurance market for "all risks" coverage on buildings and contents. Please see attachments for quote summary and list of declinations. Several insurers did not qualify or declined to quote coverage. Quotes are obtained from companies with A or better rating. Affiliated FM is the low bidder and is providing the greatest level of coverage for the exposure. Current coverage carries a \$50,000 deductible per occurrence except for flood and earthquake.
Financial Impact:	A premium for blanket coverage is being offered on total property values of \$921,995,240 for \$815,966 with a \$50,000 deductible. The quote from Affiliated FM includes flood coverage.
Alternatives:	1. Drop coverage and retain risk, 2. Reduce premiums by only insuring those properties representing the largest losses should an event damage the structures (Municipal Building, Law Enforcement Center, Judicial Center, RCCI, etc.)

Recommendation:

Approve Commercial Property Insurance coverage renewal for 2023 through 2024 for
Affiliated FM for a premium of \$815,966 which includes flood coverage and
Boiler & Maintenance coverage. Effective March 1, 2023 - March 1, 2024

Item 4.

**Funds are available in
the following accounts:**

611 015212 Risk Management General Insurance Fund Account

REVIEWED AND
APPROVED BY:

Finance
Law
Administrator
Clerk of Commission

AUGUSTA RICHMOND COUNTY

Item 4.

Assured Partners of Georgia
1220 Greene Street
Augusta, GA 30901

Renewal Term 03/01/2023 – 03/01/2024

Total Insured Value	\$921,995,240
Terrorism	Limited
Rate	0.0885
Premium	\$815,966

*Terrorism coverage available for \$69,709

Expiring Term 03/01/2022 – 03/01/2023

Total Insured Value	\$803,018,969
Terrorism	Limited
Rate	0.0885
Premium	\$710,426

NON-BINDING INDICATION FOR Augusta Richmond County

AssuredPartners of Georgia, LLC

Date: 3 February 2023

A. POLICY TERM

FROM: 1 March 2023 12:01 a.m. Standard Time
TO: 1 March 2024 12:01 a.m. Standard Time

B. NAMED INSURED

Augusta Richmond County and its wholly or majority owned subsidiaries, and any interest which may now exist or hereinafter be created or acquired which are owned, controlled or operated by any one or more of those named insureds.

C. POLICY LIMIT

This Company's total limit of liability, including any insured Business Interruption loss, will not exceed the Policy Limit of USD 500,000,000 as a result of any one **occurrence** subject to the respective sub-limits of liability shown elsewhere in this Policy.

D. POLICY TERRITORY

Coverage provided by this Policy is limited to property while located within the United States of America.

Cyber Coverage Territory

Coverage provided in Data Restoration; Data Service Provider Property Damage and Business Interruption; and Owned Network Interruption is limited to anywhere in the world except Cuba; Iran; North Korea; Russian Federation; Sudan; Syria; and Crimea, Donetsk People's Republic (DPR) and Luhansk People's Republic (LPR) regions of Ukraine.

E. INSURANCE PROVIDED

Location Schedule

This Policy covers property, as described in this Policy, against ALL RISKS OF PHYSICAL LOSS OR DAMAGE, except as hereinafter excluded, while located as follows:

See attached Schedule of Locations

Sub-Limited Location Schedule

This Policy covers property, as described in this Policy, against ALL RISKS OF PHYSICAL LOSS OR DAMAGE, except as hereinafter excluded, not to exceed the limits of liability specified for the coverages indicated, while located as follows:

There shall be no liability under this Policy when "NOT COVERED" is shown.

See attached Schedule of Sub-Limited Locations

F. SUB-LIMITS

Unless otherwise stated below or elsewhere in this Policy, the following sub-limits of liability, including any insured Business Interruption loss, will be the maximum payable and will apply on a per **occurrence** basis.

The sub-limits stated below or elsewhere in this Policy are part of and not in addition to the Policy Limit.

When a limit of liability applies to a **location** or property, such limit of liability will be the maximum amount payable for all loss or damage.

There shall be no liability under this Policy when "NOT COVERED" is shown as a sublimit.

Accounts Receivable	USD 2,500,000
Arson or Theft Reward	USD 250,000
Attraction Property	NOT COVERED
boiler and machinery	Policy Limit
Brand Protection	Policy Limit
Change of Temperature	USD 100,000
Civil or Military Authority	30 days
Communicable Disease - Business Interruption	NOT COVERED
Communicable Disease - Property Damage	USD 1,000 annual aggregate
communication towers and associated equipment attached to towers	USD 50,000
Contractual Penalties	NOT COVERED
Crisis Management	NOT COVERED

cyber event	<ol style="list-style-type: none"> 1. USD 1,000 annual aggregate for Data Restoration 2. USD 1,000 annual aggregate for Data Service Provider - Property Damage 3. USD 50,000 annual aggregate for loss or damage to stock in process or finished goods manufactured by or for the Insured caused by or resulting from cyber event that impacts the processing, manufacturing, or testing of such property or while it is otherwise being worked on.
Data Restoration	USD 500,000 annual aggregate
Data Service Provider - Business Interruption	NOT COVERED
Data Service Provider - Property Damage	USD 50,000 annual aggregate
Debris Removal	Policy Limit Not to exceed USD 1,000,000 for Location No. 139, 401 Walton Way, Augusta, Georgia, 30901, USA
Decontamination Costs	Policy Limit
Deferred Payment	USD 100,000
Demolition and Increased Cost of Construction	Policy Limit
Earth Movement	USD 100,000,000 annual aggregate , not to exceed USD 50,000 annual aggregate for Data Service Provider - Property Damage, Errors and Omissions, Off-Premises Service Interruption - Property Damage and Unnamed Property, combined
Errors and Omissions	USD 10,000,000
Expediting Expenses	USD 1,000,000
Extended Period of Liability	NOT COVERED
Extra Expense	USD 5,000,000
fine arts	USD 5,000,000, not to exceed USD 10,000 per item for irreplaceable fine arts

Flood	<p>USD 50,000,000 annual aggregate, not to exceed the following:</p> <ol style="list-style-type: none"> USD 5,000,000 annual aggregate for locations described on Tier I Flood Prone Locations, Appendix A, combined, not to exceed USD 2,000,000 annual aggregate for the following locations, combined: <ul style="list-style-type: none"> Location No. 017, 2421 Riverlook Drive, Augusta, Georgia, 30904, USA; Location No. 084, 2105 Lock & Dam Road, Augusta, Georgia, 30906, USA; Location No. 103, 1830 Chester Avenue, Augusta, Georgia, 30906, USA; Location No. 104, 1915 Lumpkin Road, Augusta, Georgia, 30906, USA; Location No. 153, 200 Dorsey Drive, Augusta, Georgia, 30905, USA and Location No. 154, 205 Dorsey Drive, Augusta, Georgia, 30905, USA USD 50,000 annual aggregate for Data Service Provider - Property Damage, Errors and Omissions, Off-Premises Service Interruption - Property Damage and Unnamed Property, combined
Green Coverage	USD 100,000 not to exceed 25% of the amount of the property damage loss
Gross Earnings	NOT COVERED
Gross Profits	NOT COVERED
Ingress/Egress	NOT COVERED
Land and Water Clean Up Expense	USD 50,000 annual aggregate
landscaping, lawns, shrubs, trees and flowers	USD 100,000, not to exceed USD 1,000 per item
Leasehold Interest	NOT COVERED
Locks and Keys	USD 500,000
Logistics Extra Cost	NOT COVERED
Money and Securities	USD 250,000
Newly Acquired Property	USD 10,000,000
Off-Premises Service Interruption - Business Interruption	NOT COVERED

Off-Premises Service Interruption - Property Damage	USD 1,000,000
Owned Network Interruption	NOT COVERED
pavements and roadways	USD 100,000
Professional Fees	USD 250,000
Property Removed from a Location	Policy Limit
property under construction	USD 500,000
Protection and Preservation of Property - Business Interruption	NOT COVERED
Protection and Preservation of Property - Property Damage	Policy Limit, not to exceed USD 250,000 for security costs
Rental Income	NOT COVERED
Research and Development	NOT COVERED
Soft Costs	USD 100,000
Supply Chain	NOT COVERED
Tax Treatment	USD 100,000
Tenants Legal Liability	USD 100,000
Terrorism	USD 100,000 annual aggregate , not to exceed USD 100,000 annual aggregate for Flood and Property Removed from a Location combined
Terrorism: Supplemental United States Certified Act of Terrorism Endorsement(s)	USD 100,000 for property located in the United States of America
Transit	USD 500,000, not to exceed USD 250,000 for Business Interruption
Unnamed Property	USD 5,000,000
valuable papers and records	USD 2,000,000, not to exceed USD 10,000 per item for irreplaceable valuable papers and records

G. QUALIFYING PERIODS AND DEDUCTIBLES

QUALIFYING PERIODS

This Company will not be liable for loss or damage unless the Qualifying Period below is exceeded. When the Qualifying Period is exceeded, the loss will be calculated beginning from the time of loss or damage. The Qualifying Periods for the following coverages are as follows:

Communicable Disease - Property Damage	48 hours
Data Restoration	48 hours
Data Service Provider - Property Damage	24 hours
Off-Premises Service Interruption - Property Damage	48 hours

DEDUCTIBLES

This Company will not be liable for loss or damage, including any insured Business Interruption loss, in any one **occurrence** until the amount of loss or damage exceeds the deductible amount shown below and then this Company will only be liable for its share of the loss or damage in excess of the deductible amount.

The following deductible amounts shall apply per **occurrence**, unless otherwise stated, for insured loss or damage under this Policy.

When two or more deductibles apply to a single **occurrence**, then no more than the largest deductible amount will apply. However, this Policy allows for the application of separate and distinct deductibles and deductibles for specific loss or damage as shown below.

When a day equivalent deductible is stated below it is calculated as follows. The 100% daily actual annual Business Interruption value that would have been earned had no loss occurred at the **location** where the physical damage happened plus that proportion of the 100% annual business interruption value at all other **locations** where Business Interruption loss ensues, divided by the number of annual working days.

When a % percent deductible is stated below it is calculated as follows:

1. The value of property at the time such loss or damage at the **location** where loss or damage occurs, in accordance with the valuation section of this Policy.
2. The annual Business Interruption value that would have been earned at the **location** where loss or damage occurs plus that proportion of the 100% Business Interruption value at all other **locations** where Business Interruption loss ensues, in accordance with the Business Interruption section of this Policy (if any).

earthquake	USD 100,000 per location
Fine Arts and Valuable Papers and Records	USD 10,000

Flood	USD 100,000 per location Except USD 500,000 per location for locations described on Tier I Flood Prone Locations, Appendix A
All Other Losses	USD 50,000

H. ADDITIONAL EXCLUSIONS

In addition to the exclusions elsewhere in this Policy, the following exclusions apply unless otherwise stated:

1. Location Debris Removal Only Coverage (Property Damage) - PRO 383 (04/15)

PROPERTY EXCLUDED is amended to include the following:

Property at the following **location(s)**:

Loc. No.	Title	Address
139		401 Walton Way, Augusta, Georgia, 30901, USA

Except for Debris Removal coverage.

This Policy covers Debris Removal for the following **location(s)**:

Loc. No.	Title	Address
139		401 Walton Way, Augusta, Georgia, 30901, USA

2. Property Exclusion - PRO 408 (01/17)

PROPERTY EXCLUDED is amended to include:

2020 Leona Street, Augusta, Georgia, 30901, USA
1559 Eagles Way, Augusta, Georgia, 30904, USA
1860 Kissinghower, Augusta, Georgia, 30906, USA
4977 Windsor Spring Road, Augusta, Georgia, 30906, USA

3. Personal Property Exclusion - PRO 408 (01/17)

PROPERTY EXCLUDED is amended to include:

Personal Property at the following **location(s)**:

Loc. No.	Title	Address
031		2260 Walton Way, Augusta, Georgia, 30904, USA
032		1237 Laney Walker Boulevard, Augusta, Georgia, 30901, USA
033		1447 Jackson Road, Augusta, Georgia, 30909, USA
034		1927 Lumpkin Road, Augusta, Georgia, 30906, USA
126		825 Telfair Street, Augusta, Georgia, 30901, USA

PRO S-1 4100 (01/20)

4. Fort Gordon Exclusion - PRO 408 (01/17)

PROPERTY EXCLUDED is amended to include:

All property at Fort Gordon, Augusta, Georgia, 30905, USA

Except for the following::

Fort Gordon Irrigation Water Treatment Plant, 200 Dorsey Drive, Fort Gordon, GA, 30905, USA
AUD Fort Gordon Admin Building, 205 Dorsey Drive, Fort Gordon, GA, 30905, USA

5. Transmission and Distribution Systems Exclusion - PRO 132 (01/19)

PROPERTY EXCLUDED is amended to include:

transmission and distribution systems, except at a **described location** but not within the 1,000 feet extension provided by the PROPERTY INSURED wording.

I. SPECIAL TERMS AND CONDITIONS

1. Historical Replacement Cost - PRO 157 (01/17)

LOSS ADJUSTMENT AND SETTLEMENT, VALUATION, is amended to include:

With respect to buildings designated by a local, state, or federal authority to be of historical significance or of historical value, such rebuilding, repairing or replacement shall be with modern material, workmanship processes, technologies and designs, and shall not include the cost of re-creating outdated, archaic or antiquated materials, workmanship, processes, technologies, or designs, whether or not such cost otherwise would be covered under ADDITIONAL COVERAGES, Demolition and Increased Cost of Construction.

2. United States Certified Act of Terrorism - PRO 207 (01/20)

As respects the United States, its territories and possessions and the Commonwealth of Puerto Rico, the definition of **terrorism** is declared null and void and it is agreed that a **Certified Act of Terrorism** under the terms of the SUPPLEMENTAL UNITED STATES CERTIFIED ACT OF TERRORISM ENDORSEMENT attached to this Policy shall be considered **terrorism** within the terms of this Policy. Notwithstanding anything contained in this Policy to the contrary, this Policy provides coverage for direct physical loss or damage to insured property and any resulting BUSINESS INTERRUPTION loss, as provided in the Policy, caused by or resulting from a **Certified Act of Terrorism** only to the extent coverage is provided under the terms and conditions of the SUPPLEMENTAL UNITED STATES CERTIFIED ACT OF TERRORISM ENDORSEMENT attached to this Policy. Any difference in limit between loss recoverable under the SUPPLEMENTAL UNITED STATES CERTIFIED ACT OF TERRORISM ENDORSEMENT and this Policy is not recoverable under this Policy.

J. INDEX OF FORMS

The following forms are made part of this Policy:

<u>Title</u>	<u>Form No.</u>	<u>Edition</u>
Declarations Page	PRO DEC 4100	(04/15)
Declarations	PRO S-1 4100	(01/20)
Tier I Flood Prone Locations, Appendix A		Version 001
All Risk Coverage	PRO AR 4100	(01/23)
Supplemental United States Certified Act of Terrorism Endorsement	AFM 7312	(06/21)
Georgia Amendatory Endorsement	AFM 2376	(01/23)

SCHEDULE OF LOCATIONS

Location Schedule

Loc. No.	Title	Address
001		1501 Aviation Way, Augusta, Georgia, 30906, USA
002		902 Greene Street, Augusta, Georgia, 30901, USA
003		1568 Broad Street, Augusta, Georgia, 30904, USA
004		1898 Highland Avenue, Augusta, Georgia, 30911, USA
005		530 Greene Street, Augusta, Georgia, 30901, USA
006		520 Fenwick Street, Augusta, Georgia, 30901, USA
007		3421 Mike Padgett Highway, Augusta, Georgia, 30906, USA
008		1 7th Street, Augusta, Georgia, 30901, USA
009		2 10th Street, 901 & 902 Reynolds Street, Augusta, Georgia, 30901, USA
010		850 Ellis Street, Augusta, Georgia, 30901, USA
011		80 Milledge Road, Augusta, Georgia, 30904, USA
012		2314 Tobacco Road, Augusta, Georgia, 30906, USA
013		2463/2456 Golden Camp Road, Augusta, Georgia, 30906, USA
014		3157 Damascus Road, Augusta, Georgia, 30909, USA
015		1941 Phinzy Road, Augusta, Georgia, 30906, USA
016		425 Wood Street, Augusta, Georgia, 30904, USA
017		2421 Riverlook Drive, Augusta, Georgia, 30904, USA
018		1820 Doug Barnard Parkway, Augusta, Georgia, 30906, USA
019		2822 & 2835 Central Avenue, Augusta, Georgia, 30909, USA
020		1731 Tobacco Road and 234 Pistol Range Road, Augusta, Georgia, 30906, USA
021		101-104 Diamond Lakes Way and 4335 Windsor Spring Road, Hephzibah, Georgia, 30815, USA
022		3647 Karleen Road, Augusta, Georgia, 30906, USA
023		3866 Mike Padgett Highway Lot 56, Augusta, Georgia, 30906, USA
024		1101 Bennock Mill Road, Augusta, Georgia, 30906, USA
025		2098 Greenland Road, Augusta, Georgia, 30805, USA
026		1941 Lumpkin Road, Augusta, Georgia, 30906, USA
028		911 4th Street, Augusta, Georgia, 30901, USA
029		4136 Mack Lane, Augusta, Georgia, 30906, USA
030		1840 Wylds Road, Augusta, Georgia, 30909, USA
031		2260 Walton Way, Augusta, Georgia, 30904, USA
032		1237 Laney Walker Boulevard, Augusta, Georgia, 30901, USA
033		1447 Jackson Road, Augusta, Georgia, 30909, USA
034		1927 Lumpkin Road, Augusta, Georgia, 30906, USA
035		346 Watkins Street, Augusta, Georgia, 30906, USA
036		5098 Mike Padgett Highway, Augusta, Georgia, 30906, USA
037		3507 GA Highway 88, Blythe, Georgia, 30805, USA
038		3705 Old Waynesboro Road, Augusta, Georgia, 30906, USA
039		4185 Windsor Spring Road, Augusta, Georgia, 30906, USA
040		3446 Old Louisville Road, Augusta, Georgia, 30906, USA
041		2619 Lumpkin Road, Augusta, Georgia, 30906, USA
042		2618 Richmond Hill Road, Augusta, Georgia, 30906, USA
043		2108 Old Savannah Road, Augusta, Georgia, 30906, USA
045		1920 Martin Luther King Jr Boulevard, Augusta, Georgia, 30901, USA
046		3909 Wrightsboro Road, Augusta, Georgia, 30909, USA

047	302 Watkins Street, Augusta, Georgia, 30901, USA
048	2163 Central Avenue, Augusta, Georgia, 30904, USA
049	2830 Central Avenue, Augusta, Georgia, 30909, USA
050	1425 Walton Way, Augusta, Georgia, 30901, USA
051	1099 Reynolds Street, Augusta, Georgia, 30901, USA
052	3507 Walton Way, Augusta, Georgia, 30906, USA
053	2625 Washington Road, Augusta, Georgia, 30904, USA
054	1866 Ellis Street, Augusta, Georgia, 30904, USA
055	2163 Central Avenue, Augusta, Georgia, 30904, USA
056	1898 Martin Luther King Jr Boulevard, Augusta, Georgia, 30901, USA
057	1600 Brown Street, Augusta, Georgia, 30901, USA
058	1 Broad Street, Augusta, Georgia, 30901, USA
059	2917 Willis Foreman Road, Hephzibah, Georgia, 30815, USA
060	1898 Highland Avenue, Augusta, Georgia, 30904, USA
061	2316 Tobacco Road, Augusta, Georgia, 30906, USA
063	520 Greene Street, Augusta, Georgia, 30901, USA
065	1A 5th Street, Augusta, Georgia, 30901, USA
066	525 Telfair Street, Augusta, Georgia, 30901, USA
067	2029 Lumpkin Road, Augusta, Georgia, 30906, USA
068	401 Hale Street, Augusta, Georgia, 30901, USA
069	3423 Mike Padgett Highway, Augusta, Georgia, 30906, USA
070	5th Laney Walker Boulevard, Augusta, Georgia, 30901, USA
071	1698 Hunter Street, Augusta, Georgia, 30901, USA
072	3116A Augusta Tech Drive, Augusta, Georgia, 30906, USA
073	702 3rd Street, Augusta, Georgia, 30901, USA
074	120 Watkins Street, Augusta, Georgia, 30906, USA
075	4330 Deans Bridge Road, Blythe, Georgia, 30805, USA
076	1815 Marvin Griffin Road, Augusta, Georgia, 30906, USA
077	2051 Division Street, Augusta, Georgia, 30904, USA
078	1157 5th Street, Augusta, Georgia, 30901, USA
081	328 Riverfront Drive, Augusta, Georgia, 30901, USA
082	1708-1710 Highland Ave, Augusta, Georgia, 30904, USA
083	1600 Troupe Street, Augusta, Georgia, 30906, USA
084	2105 Lock & Dam Road, Augusta, Georgia, 30906, USA
085	622 4th Street, Augusta, Georgia, 30901, USA
086	2027 Lumpkin Road, Augusta, Georgia, 30906, USA
087	1800 Heath Street, Augusta, Georgia, 30904, USA
088	1488 Eisenhower Drive, Augusta, Georgia, 30904, USA
089	965 Hickman Road, Augusta, Georgia, 30904, USA
090	2510 Allen Street, Augusta, Georgia, 30904, USA
091	1349 Community Park Road, Augusta, Georgia, 30906, USA
092	308 Warren Road, Augusta, Georgia, 30907, USA
093	644 Aiken Street, Augusta, Georgia, 30901, USA
094	1014 11th Avenue, Augusta, Georgia, 30901, USA
095	1200 Nellieville Road, Augusta, Georgia, 30901, USA
097	3461 Old McDuffie Road, Augusta, Georgia, 30906, USA
098	2315 Tobacco Road, Augusta, Georgia, 30906, USA
099	2107 Telfair Street, Augusta, Georgia, 30904, USA
100	87 Milledge Road, Augusta, Georgia, 30904, USA
102	1500 Holley Street, Augusta, Georgia, 30901, USA
103	1830 Chester Avenue, Augusta, Georgia, 30906, USA
104	1915 Lumpkin Road, Augusta, Georgia, 30906, USA
105	2740 Mayo Road, Augusta, Georgia, 30907, USA

106	1610 Hunter Street, Augusta, Georgia, 30901, USA
107	902 James Brown Boulevard, Augusta, Georgia, 30901, USA
108	1132 Merry Street, Augusta, Georgia, 30904, USA
109	432 Telfair Street, Augusta, Georgia, 30901, USA
110	836 Reynolds Street, Augusta, Georgia, 30901, USA
111	3101 Wrightsboro Road, Augusta, Georgia, 30906, USA
112	2001 Lumpkin Road, Augusta, Georgia, 30906, USA
113	101 Riverfront Drive, Augusta, Georgia, 30901, USA
114	3129 GA Highway 88, Blythe, Georgia, 30805, USA
115	2540 Wheeler Road, Augusta, Georgia, 30904, USA
116	1516 Fenwick Street, Augusta, Georgia, 30904, USA
117	1546 Broad Street, Augusta, Georgia, 30904, USA
118	1828 Smith Cemetery Road # 1835, Augusta, Georgia, 30906, USA
119	2760 Peach Orchard Road, Augusta, Georgia, 30906, USA
120	4H Club Rd, Augusta, Georgia, 30906, USA
121	1506 4-H Club Road, Augusta, Georgia, 30906, USA
122	600 Broad Street, Augusta, Georgia, 30901, USA
123	3824 Maddox Road, Augusta, Georgia, 30909, USA
124	3125 Deans Bridge Road, Augusta, Georgia, 30906, USA
125	3117 Deans Bridge Road, Augusta, Georgia, 30906, USA
126	825 Telfair Street, Augusta, Georgia, 30901, USA
127	735 James Brown Boulevard, Augusta, Georgia, 30901, USA
128	3050 Deans Bridge Road, Augusta, Georgia, 30906, USA
129	2816 Washington Road, Augusta, Georgia, 30909, USA
130	1056 Alexander Drive, Augusta, Georgia, 30909, USA
131	1835 Wylds Road, Augusta, Georgia, 30909, USA
132	2023 Highland Avenue, Augusta, Georgia, 30904, USA
133	3409 Mike Padgett Highway, Augusta, Georgia, 30906, USA
134	400 & 402 Walton Way, Augusta, Georgia, 30901, USA
135	511 Reynolds Street, Augusta, Georgia, 30901, USA
136	3463A & 3463B Peach Orchard Road, Augusta, Georgia, 30906, USA
137	452 Walker Street, Augusta, Georgia, 30901, USA
139	401 Walton Way, Augusta, Georgia, 30901, USA
146	712 4th Street, Augusta, Georgia, 30901, USA
147	3405 Mike Padgett Highway, Augusta, Georgia, 30906, USA
148	1850 Broad Street, Augusta, Georgia, 30904, USA
150	928 Telfair Street, Augusta, Georgia, 30901, USA
151	2844 Regency Boulevard Buildings A & B, Augusta, Georgia, 30904, USA
152	2820 Old Highway 1, Hephzibah, Georgia, 30815, USA
155	1001 4th Street, Augusta, Georgia, 30901, USA

SCHEDULE OF SUB-LIMITED LOCATIONS

Sub-Limited Location Schedule

Loc. No.	Title	Address
153		200 Dorsey Drive, Augusta, Georgia, 30905, USA
Sub-limit of liability:		
	Personal Property	USD 5,232,400
	Real Property	USD 21,852,480
154		205 Dorsey Drive, Augusta, Georgia, 30905, USA
Sub-limit of liability:		
	Personal Property	USD 267,800
	Real Property	USD 2,403,773



TIER I FLOOD PRONE LOCATIONS, APPENDIX A

Account No. 1-66650

Policy No. TBD

Location No.	Street Address	City	County	State/Province	Postal	Country
002	902 Greene Street	Augusta	Richmond	Georgia	30901	United States of America
003	1568 Broad Street	Augusta	Richmond	Georgia	30904	United States of America
005	530 Greene Street	Augusta	Richmond	Georgia	30901	United States of America
006	520 Fenwick Street	Augusta	Richmond	Georgia	30901	United States of America
008	1 7th Street	Augusta	Richmond	Georgia	30901	United States of America
009	2 10th Street, 901 & 902 Reynolds Street	Augusta	Richmond	Georgia	30901	United States of America
010	850 Ellis Street	Augusta	Richmond	Georgia	30901	United States of America
016	425 Wood Street	Augusta	Richmond	Georgia	30904	United States of America
017	2421 Riverlook Drive	Augusta	Richmond	Georgia	30904	United States of America
018	1820 Doug Barnard Parkway	Augusta	Richmond	Georgia	30906	United States of America
028	911 4th Street	Augusta	Richmond	Georgia	30901	United States of America
032	1237 Laney Walker Boulevard	Augusta	Richmond	Georgia	30901	United States of America
035	346 Watkins Street	Augusta	Richmond	Georgia	30906	United States of America
045	1920 Martin Luther King Jr Boulevard	Augusta	Richmond	Georgia	30901	United States of America
047	302 Watkins Street	Augusta	Richmond	Georgia	30901	United States of America
051	1099 Reynolds Street	Augusta	Richmond	Georgia	30901	United States of America
056	1898 Martin Luther King Jr Boulevard	Augusta	Richmond	Georgia	30901	United States of America
058	1 Broad Street	Augusta	Richmond	Georgia	30901	United States of America
063	520 Greene Street	Augusta	Richmond	Georgia	30901	United States of America
065	1A 5th Street	Augusta	Richmond	Georgia	30901	United States of America
066	525 Telfair Street	Augusta	Richmond	Georgia	30901	United States of America
068	401 Hale Street	Augusta	Richmond	Georgia	30901	United States of America
073	702 3rd Street	Augusta	Richmond	Georgia	30901	United States of America
074	120 Watkins Street	Augusta	Richmond	Georgia	30906	United States of America
075	4330 Deans Bridge Road	Blythe	Richmond	Georgia	30805	United States of America
078	1157 5th Street	Augusta	Richmond	Georgia	30901	United States of America
084	2105 Lock & Dam Road	Augusta	Richmond	Georgia	30906	United States of America
085	622 4th Street	Augusta	Richmond	Georgia	30901	United States of America
093	644 Aiken Street	Augusta	Richmond	Georgia	30901	United States of America
103	1830 Chester Avenue	Augusta	Richmond	Georgia	30906	United States of America
104	1915 Lumpkin Road	Augusta	Richmond	Georgia	30906	United States of America
107	902 James Brown Boulevard	Augusta	Richmond	Georgia	30901	United States of America
109	432 Telfair Street	Augusta	Richmond	Georgia	30901	United States of America



TIER I FLOOD PRONE LOCATIONS, APPENDIX A

Account No. 1-66650

Policy No. TBD

Location No.	Street Address	City	County	State/Province	Postal	Country
110	836 Reynolds Street	Augusta	Richmond	Georgia	30901	United States of America
113	101 Riverfront Drive	Augusta	Richmond	Georgia	30901	United States of America
117	1546 Broad Street	Augusta	Richmond	Georgia	30904	United States of America
121	1506 4-H Club Road	Augusta	Richmond	Georgia	30906	United States of America
122	600 Broad Street	Augusta	Richmond	Georgia	30901	United States of America
126	825 Telfair Street	Augusta	Richmond	Georgia	30901	United States of America
127	735 James Brown Boulevard	Augusta	Richmond	Georgia	30901	United States of America
134	400 & 402 Walton Way	Augusta	Richmond	Georgia	30901	United States of America
135	511 Reynolds Street	Augusta	Richmond	Georgia	30901	United States of America
137	452 Walker Street	Augusta	Richmond	Georgia	30901	United States of America
139	401 Walton Way	Augusta	Richmond	Georgia	30901	United States of America
146	712 4th Street	Augusta	Richmond	Georgia	30901	United States of America
150	928 Telfair Street	Augusta	Richmond	Georgia	30901	United States of America
153	200 Dorsey Drive	Augusta	Richmond	Georgia	30905	United States of America
154	205 Dorsey Drive	Augusta	Richmond	Georgia	30905	United States of America
155	1001 4th Street	Augusta	Richmond	Georgia	30901	United States of America

Submissions & Declinations:

Berkshire – Declined

Hartford - Declined - will not write standalone Property must write General

Liability Liberty Mutual – Cannot provide flood coverage

Risk Place Services (Broker) – Declined

SwissRe – Declined

Travelers - Cannot provide flood coverage



Finance Committee

February 14, 2023

Insurance Brokerage Services

Department:	Finance- Risk Management Division
Presenter:	Donna Williams
Caption:	Motion to approve Insurance Brokerage Services for 2023 RFQ item #22-274 offered through Marsh McLennan Agency, to include Commercial Property Insurance (including Boiler and Machinery), Public Officials Liability /Employment Practices Liability (POL/EPL), and maintain the Surety Bond for Augusta, GA and additional services as requested.
Background:	RFP Item #22-274 was issued on July 29, 2022. Six (6) companies responded and were evaluated; the three (3) with the highest scores made presentations. The selection committee chose Marsh McLennan as the best brokerage firm. Marsh McLennan will seek annual quotes from the insurance market for “all risk” coverage on all lines of insurance needs. Quotes are obtained from only carriers with an A or better rating.
Analysis:	N/A
Financial Impact:	Funds are budgeted in Risk Management’s 2023 budget. Annual broker services fee is 6% of the annual insurance policy premiums.
Alternatives:	N/A
Recommendation:	Approve Insurance Brokerage Services with Marsh McLennan effective March 1, 2023- December 31, 2024.
Funds are available in the following accounts:	611015212 Risk Management General Insurance Account
<u>REVIEWED AND APPROVED BY:</u>	N/A

Request for Proposals

Request for Proposals will be received at this office until **Friday, July 29, 2022 @ 11:00 a.m. via ZOOM Meeting ID: 848 4250 4083; Passcode: 608769** for furnishing:

RFP Item # 22-274 Insurance Brokerage Services for Risk Management for Augusta, GA – Finance Department – Risk Management

RFPs will be received by: The Augusta Commission hereinafter referred to as the OWNER at the offices of:

Geri A. Sams, Director
Augusta Procurement Department
535 Telfair Street - Room 605
Augusta, Georgia 30901

RFP documents may be viewed on the Augusta Georgia web site under the Procurement Department ARcbid. RFP documents may be obtained at the office of the Augusta, GA Procurement Department, 535 Telfair Street – Room 605, Augusta, GA 30901 (706-821-2422).

All questions must be submitted in writing by fax to 706 821-2811 or by email to procbidandcontract@augustaga.gov to the office of the Procurement Department by Friday, July 15, 2022 @ 5:00 P.M. No RFP will be accepted by fax or email, all must be received by mail or hand delivered.

No RFP may be withdrawn for a period of **90** days after proposals have been opened, pending the execution of contract with the successful bidder(s).

Request for proposals (RFP) and specifications. An RFP shall be issued by the Procurement Office and shall include specifications prepared in accordance with Article 4 (Product Specifications), and all contractual terms and conditions, applicable to the procurement. **All specific requirements contained in the request for proposal including, but not limited to, the number of copies needed, the timing of the submission, the required financial data, and any other requirements designated by the Procurement Department are considered material conditions of the bid which are not waivable or modifiable by the Procurement Director.** All requests to waive or modify any such material condition shall be submitted through the Procurement Director to the appropriate committee of the Augusta, Georgia Commission for approval by the Augusta, Georgia Commission. Please mark RFP number on the outside of the envelope.

GEORGIA E-Verify and Public Contracts: The Georgia E-Verify law requires contractors and all sub-contractors on Georgia public contract (contracts with a government agency) for the physical performance of services over \$2,499 in value to enroll in E-Verify, **regardless of the number of employees.** They may be exempt from this requirement if they have no employees and do not plan to hire employees for the purpose of completing any part of the public contract. Certain professions are also exempt. All requests for proposals issued by a city must include the contractor affidavit as part of the requirement for their bid to be considered.

Proponents are cautioned that acquisition of RFP documents through any source other than the office of the Procurement Department is not advisable. Acquisition of RFP documents from unauthorized sources places the proponent at the risk of receiving incomplete or inaccurate information upon which to base their qualifications.

Correspondence must be submitted via mail, fax or email as follows:

Augusta Procurement Department
Attn: Geri A. Sams, Director of Procurement
535 Telfair Street, Room 605
Augusta, GA 30901
Fax: 706-821-2811 or Email: procbidandcontract@augustaga.gov

GERI A. SAMS, Procurement Director

Publish:

Augusta Chronicle June 23, 30, 2022 and July 7, 14, 2022
Metro Courier June 23, 2022


Revised: 3/22/21



RFP Opening - RFP Item #22-274
Insurance Brokerage Services for Risk Management
for Augusta, GA - Finance Department-Risk Management
Date: Friday, July 29, 2022 @ 11:00 a.m. via ZOOM

Total Number Specifications Mailed Out:
Total Number Specifications Download (Demandstar):
Total Electronic Notifications (Demandstar):
Georgia Procurement Registry:
Total packages submitted: 6
Total Noncompliant: 0

VENDORS	Attachment "B"	Addendum 1	E-Verify Number	SAVE Form	Original	7 Copies	Fee Proposal
Marsh McLennan Agency 2601 Commons Blvd. Augusta, GA 30909	Yes	Yes	834460	Yes	Yes	Yes	Yes
Arthur J. Gallagher Risk Management Services 1050 Crown Pointe Pkwy., Suite 600 Atlanta, GA 30338	Yes	Yes	87458	Yes	Yes	Yes	Yes
Assured Partners 1220 Greene Street AUGUSTA, GA 30901	Yes	Yes	1318937	Yes	Yes	Yes	Yes
McGriff Insurance Services, Inc. 3400 Overton Park Dr., SE Suite 300 Atlanta, GA 30339	Yes	Yes	53929	Yes	Yes	Yes	Yes
Aon Risk Services South, Inc. 3550 Lenox Rd. NE Suite 1700 Atlanta, GA 30326	Yes	Yes	208722	Yes	Yes	Yes	Yes
Relation Insurance, Inc. 5825 Medlock Bridge Pkwy., Suite 100 Johns Creek, GA 30022	Yes	Yes	571783	Yes	Yes	Yes	Yes

<div><div></div><div><div>RFP Item #22-274</div><div>Insurance Brokerage Services for Risk Management for Augusta, GA - Finance Department-Risk Management</div><div>RFP Evaluation Meeting: Wednesday, October 12, 2022 @ 2:00 p.m.</div></div></div>																											
Vendors			Marsh McLennan Agency 2601 Commons Blvd. Augusta, GA 30909		Arthur J. Gallagher Risk Management Services 1050 Crown Pointe Pkwy., Suite 600 Atlanta, GA 30338		Assured Partners 1220 Greene Street AUGUSTA, GA 30901		McGriff Insurance Services, Inc. 3400 Overton Park Dr., SE Suite 300 Atlanta, GA 30339		Aon Risk Services South, Inc. 3550 Lenox Rd. NE Suite 1700 Atlanta, GA 30326		Relation Insurance, Inc. 5825 Medlock Bridge Pkwy., Suite 100 Johns Creek, GA 30022		Marsh McLennan Agency 2601 Commons Blvd. Augusta, GA 30909		Arthur J. Gallagher Risk Management Services 1050 Crown Pointe Pkwy., Suite 600 Atlanta, GA 30338		Assured Partners 1220 Greene Street AUGUSTA, GA 30901		McGriff Insurance Services, Inc. 3400 Overton Park Dr., SE Suite 300 Atlanta, GA 30339		Aon Risk Services South, Inc. 3550 Lenox Rd. NE Suite 1700 Atlanta, GA 30326		Relation Insurance, Inc. 5825 Medlock Bridge Pkwy., Suite 100 Johns Creek, GA 30022		
Phase 1			Ranking of 0-5 (Enter a number value between 0 and 5)													Weighted Scores											
Evaluation Criteria		Ranking	Points	Scale 0 (Low) to 5 (High)																							
1. Completeness of Response • Package submitted by the deadline • Package is complete (includes requested information as required per this solicitation) • Attachment B is complete, signed and notarized		N/A	Pass/Fail	PASS	PASS	PASS	PASS	PASS	PASS	PASS	PASS	PASS	PASS	PASS	PASS	PASS	PASS	PASS	PASS	PASS	PASS	PASS	PASS	PASS	PASS	PASS	PASS
2. Qualifications & Experience		(0-5)	15	4.7	4.8	4.5	4.1	4.0	3.3	70.0	72.5	67.5	61.3	60.0	50.0												
3. Organization & Approach		(0-5)	20	4.6	4.9	3.3	4.2	4.1	3.7	91.7	98.3	66.7	83.3	81.7	73.3												
4. Scope of Services Experience and approach to the Scope of Services included in Section 3 to include details on the following items. a. Brokerage Agency/Firm years of experience as related to requested services. b. Experience providing all categories of insurance brokerage services to include management of Surety Bonds to governmental entities. Response to the Questionnaire include in Section 4.		(0-5)	20	4.8	4.9	2.7	4.4	4.2	4.2	96.7	98.3	53.3	88.3	83.3	83.3												
5. Financial Stability		(0-5)	5	4.8	4.8	4.7	4.2	4.0	3.3	24.2	24.2	23.3	20.8	20.0	16.7												
6. References		(0-5)	5	4.3	4.7	3.0	4.3	3.7	3.3	21.7	23.3	15.0	21.7	18.3	16.7												
7. Proximity to Area (only choose 1 line according to location of the company - enter the ranking value for the one line only)																											
Within Richmond County		5	10	5		5				50.0	0.0	50.0	0.0	0.0	0.0												
Within CSRA		5	6							0.0	0.0	0.0	0.0	0.0	0.0												
Within Georgia		5	4		5		5	5	5	0.0	20.0	0.0	20.0	20.0	20.0												
Within SE United States (includes AL, TN, NC, SC, FL)		5	2							0.0	0.0	0.0	0.0	0.0	0.0												
• All Others		5	1							0.0	0.0	0.0	0.0	0.0	0.0												
Phase 1 Total - (Total Maximum Ranking 30 - Maximum Weighted Total Possible 375)				28.3	29.2	23.2	26.2	24.9	22.8	354.2	336.7	275.8	295.4	283.3	260.0												
Phase 2 (Option - Numbers 8 - 9) (Vendors May Not Receive Less Than a 3 Ranking in Any Category to be Considered for Award)																											
8. Presentation by Team		(0-5)	10							0	0	0	0	0	0												
9. Q&A Response to Panel Questions		(0-5)	5							0	0	0	0	0	0												
10. Cost/Fee Proposal Consideration (only choose 1 line according to dollar value of the proposal in relation to all fee proposals - enter the point value for the one line only)																											
Lowest Fees		5	10							0	0	0	0	0	0												
Second		5	6							0	0	0	0	0	0												
Third		5	4							0	0	0	0	0	0												
Forth		5	2							0	0	0	0	0	0												
Fifth		5	1							0	0	0	0	0	0												
Total Phase 2 - (Total Maximum Ranking 15 - Maximum Weighted Total Possible 125)				0	0	0	0	0	0	0	0	0	0	0	0												
Total (Total Possible Score 500) Total (May not Receive Less Than a 3 Ranking in Any Category to be Considered for Award)																											
Total Cumulative Score				28.3	29.2	23.2	26.2	24.9	22.8	354.2	336.7	275.8	295.4	283.3	260.0												
Internal Use Only																											
Evaluator: Cumulative Date: 10-11-22																											
Procurement Department Representative: _____ Nancy Williams _____																											
Procurement Department Completion Date: 10-11-22																											



Finance Department

Item 5.

Donna B. Williams, CGFM
Director

Timothy E. Schroer, CPA, CGMA
Deputy Director

November 16, 2022

Ms. Geri Sams
Procurement Director
535 Telfair Street, Suite 605
Augusta, GA 30901

RE: 22-274 Insurance Brokerage Services

Dear Ms. Sams:

The Evaluation Committee for the Insurance Brokerage Services (RFP #22-274) evaluated six submissions and scheduled presentations from the three highest scoring firms. It is the consensus and recommendation of the Evaluation Committee that the Marsh McLennan Agency be awarded this engagement. At this point it would be appropriate to request a draft contract.

Please let me know if there are any questions.

Thank you.

Sincerely,

Donna B. Williams, CGFM

Finance Director

Cc: Phyllis Johnson, Compliance Officer
Nancy Williams, Quality Assurance Analyst

**AUGUSTA, GEORGIA FINANCE DEPARTMENT, RISK MANAGEMENT DIVISION
PROFESSIONAL SERVICES AGREEMENT**

**BETWEEN
AUGUSTA, GEORGIA
AND**

MARSH & MCLENNAN AGENCY LLC

This Agreement made and entered into this ____ day of ____ 202_ (the “Effective Date”), by and between Augusta, Georgia, (hereinafter referred to as “Augusta”) a political subdivision of the State of Georgia, acting by and through the Augusta, Georgia Finance Division, Risk Management Department (“Risk”) whose address is 535 Telfair Street, Augusta, GA, and Marsh & McLennan Agency LLC, (hereinafter referred to as MMA) a Delaware corporation whose address is 1166 Avenue of the Americas, New York, New York.

NOW, THEREFORE, for and in consideration of the mutual promises and covenants contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, MMA and Augusta, intending to be legally bound, do hereby covenant and agree as follows:

ARTICLE I.
SCOPE OF SERVICES TO BE PROVIDED

A. MMA will conduct those activities as indicated in RFP 22-274, Section III, “Scope of Services,” which is incorporated herein by reference as if each and every section and subsection thereof is subsequently recited below, including but not limited to:

Pre-Marketing Services

- (a) Conduct an initial strategy discussion in advance of each placement;
- (b) Assist Augusta in assessing Augusta’s risks and in developing insurance specifications which MMA will submit to insurers;
- (c) Recommend potential insurers;

Marketing and Placement Services

- (d) Solicit quotes from insurers that Augusta selects;
- (e) Negotiate on Augusta's behalf with insurers;
- (f) Assist Augusta in evaluating the options received from insurers;
- (g) Use best efforts to place insurance for Augusta, but only after Augusta has authorized MMA to bind coverage for Augusta;

Services related to MMA placements

- (h) Deliver confirmation of coverage once it is placed;
- (i) Follow up with insurance carriers to obtain policies and/ or endorsements. MMA may deliver Augusta's insurance policies and endorsements to Augusta electronically;
- (j) Review policies and endorsements for conformity with agreed terms and coverages;
- (k) Provide coverage summaries;
- (l) At Augusta's request, issue certificates or memoranda of insurance and/or auto identification cards;
- (m) Review premium and exposure audits, rating adjustments, dividend calculations and loss data;
- (n) Provide Augusta with invoices, except in the case of direct billing by insurers. Remit premiums to insurers and, where applicable, remit taxes and fees to the relevant authorities, following receipt thereof from Augusta;
- (o) Monitor published financial information of Augusta's current insurers and alert Augusta when one of those insurers falls below MMA's minimum financial guidelines.

Claims-Related Services

- (p) Provide the following claims-related services:
 - Evaluate coverage applicability on all MMA placed business
 - Assist Augusta in the development of settlement strategies
 - Assist Augusta with insurer negotiations.

ARTICLE II

GENERAL CONDITIONS

A. Agreement Term The term of this Agreement commences on the Effective Date hereof and terminates absolutely and without further obligation on the part of Augusta, Georgia each and every December 31st, unless terminated earlier in accordance with the termination provisions of the Agreement. The term of this agreement automatically renews on each January 1st, unless terminated in accordance with the termination provisions of the Agreement. The term of this agreement shall terminate absolutely, with no further renewals, two years from the

Effective Date, unless extended by written amendment. Any extension is contingent upon funding and satisfactory delivery and performance, to be determined in Augusta, Georgia's sole discretion.

B. The ownership of all data, drawings, charts, etc. which are prepared or produced under this contract shall be that of Augusta, Georgia.

C. Taxes and Fees. MMA may place insurance for Augusta that may require the payment of insurance premium taxes (including U.S. federal excise taxes), sales taxes, use taxes, surplus or excess lines and similar taxes and/or fees to federal, state or foreign regulators, boards or associations. Augusta agrees to pay such taxes and fees. MMA will remit any taxes and fees that it collects from you to the appropriate authorities.

D. Augusta shall be solely responsible for the accuracy and completeness of all information that Augusta furnishes to MMA and/or insurers, and Augusta shall sign any required application for insurance. MMA shall not be responsible to verify the accuracy or completeness of any information that Augusta provides, and MMA shall be entitled to rely on that information. MMA shall have no liability for any errors, deficiencies or omissions in any Services provided to Augusta, including the placement of insurance on your behalf, that are based on inaccurate or incomplete information provided to Marsh & McLennan Agency. Augusta understands that the failure to provide all necessary information to an insurer, whether intentional or by error, could result in the impairment or voiding of coverage. Augusta will review all policy documents provided to Augusta by MMA.

ARTICLE III **CONSIDERATION/FEES**

A. Augusta shall pay to MMA an annual fee of 6% of the annual insurance policy premiums. The annual fee shall be paid commencing the effective date of the agreement and at

each anniversary date thereafter. Appendix B, “Standard Compensation Disclosure,” is included hereby. Additional services shall be agreed on advance and reflected in an amendment to this Agreement or a separate Agreement, both in writing and signed by both parties.

B. Adjustment in price in this Agreement shall be computed in one of the following ways:

- a. By agreement on a fixed price adjustment before commence of the pertinent performance or as soon thereafter as practicable;
- b. In such other manner as the contracting parties may mutually agree upon.

ARTICLE IV **REPRESENTATIONS AND WARRANTIES OF MMA**

MMA hereby represents and warrants to RISK as follows:

A. Due Authorization and Binding Obligation. This Agreement has been duly authorized, executed and delivered by MMA and constitutes a legal, valid and binding obligation of MMA, enforceable against MMA in accordance with its terms, except to the extent its enforceability may be limited by (i) applicable bankruptcy, reorganization, moratorium or similar laws affecting enforcement of creditors' rights or remedies generally, (ii) general equitable principles concerning remedies, and (iii) limitations on the enforceability of rights to indemnification by federal or State laws or regulations or public policy.

B. No Conflict. To its knowledge, neither the execution nor delivery of this Agreement by MMA, nor the performance by MMA of its obligations hereunder (i) conflicts with, violates or results in a material breach of any law or governmental regulation applicable to MMA, (ii) conflicts with, violates or results in a material breach of any term or condition of any order, judgment or decree, or any contract, agreement or instrument, to which MMA

is a party or by which MMA or any of its properties or assets are bound, or constitutes a material default under any of the foregoing, or (iii) constitutes a default under or results in the creation of, any lien, charge, encumbrance or security interest upon any assets of MMA under any agreement or instrument to which MMA is a party or by which MMA or its assets may be bound or affected.

C. No Approvals Required. No approval, authorization, order or consent of, or declaration, registration or filing with, any Governmental Authority is required for the valid execution and delivery of this Agreement by MMA or the performance of its obligations hereunder, except such as have been duly obtained or made.

D. Financial Condition. There has been no material adverse change in the financial condition of MMA that would impair the ability of MMA to perform its obligations under this Agreement.

E. No Collusion. MMA's Proposal is genuine and not collusive or a sham. MMA has not colluded, conspired, connived or agreed, directly or indirectly, with any other person, to put in a sham proposal, or to refrain from proposing, and has not in any manner, directly or indirectly, sought, by agreement, collusion, communication or conference with any person, to fix the prices of MMA's proposal or the proposals of any other person or to secure any advantage against any person interested in this Agreement.

F. Information Supplied By MMA. The information supplied and representations and warranties made by MMA and in all submittals made in response to the RFP, including MMA's Proposal, and in all post-proposal submittals with respect to MMA (and, to its knowledge, all information supplied in such submittals with respect to any subsidiary or subcontractor) are true, correct and complete in all material respects. MMA's Proposal does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein, or necessary in order to make the statements therein not misleading.

G. Ethics: Gratuities and Kickbacks. Neither MMA, any subsidiary, or any agent or other representative of MMA has given or agreed to give, any employee or former employee of RISK or any other person, a gratuity or an offer of employment in connection with any decision, approval, disapproval, recommendation, preparation or any part of a procurement requirement or a purchase request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity in any proceeding or application, request for ruling, determination, claim or controversy, or other particular matter pertaining to any procurement requirement or an Agreement or subcontract, or to any solicitation or proposal for an Agreement or subcontract. Notwithstanding any other provision hereof, for the breach or violation of this representation and warranty and upon a finding after notice and hearing, Augusta may terminate this Agreement.

H. Contingent Fees. The MMA warrants that no person or selling agency has been employed or retained to solicit or secure this Agreement upon an agreement or understanding for a commission, percentage, brokerage, or contingent fee, excepting bona fide employees or bona fide established commercial or selling agencies maintained by MMA for the purpose of securing business and that the MMA has not received any non-Augusta fee related to this Agreement without the prior written consent of the Augusta. For breach or violation of this warranty, the Augusta shall have the right to annul this Agreement without liability or at its discretion to deduct from the Agreement Price of consideration the full amount of such commission, percentage, brokerage or contingent fee.

I. Existence and Powers. MMA is a corporation duly organized and validly existing under the laws of Georgia and is duly qualified to do business in the State of Georgia, with full power, authority and legal right to enter into and perform its obligations under this Agreement.

J. Augusta's selection of the MMA was made with specific reliance on the qualifications and experience of specific MMA staff identified in the MMA's response to RFP 22-274, incorporated herein by reference. Unless substitutions are otherwise approved by Augusta or Risk, MMA agrees to assign specific staff members to this Agreement substantially in keeping with the roles articulated in MMA's response.

K. MMA does not speak for any insurer, is not bound to utilize any particular insurer and is not authorized to make binding commitments on behalf of any insurer, except under special circumstances which MMA shall endeavor to make known to Augusta. MMA shall not be responsible for the solvency of any insurer or its ability or willingness to pay claims, return premiums or other financial obligations. MMA does not guarantee or make any representation or warranty that insurance can be placed on terms acceptable to Augusta. MMA will not take any action to replace Augusta's insurers unless Augusta instructs MMA to do so. The parties acknowledge and agree that, in performing the Services, MMA and its affiliates are not acting as a fiduciary for Client, except to the extent required by applicable law, and do not have a fiduciary or other enhanced duty to Augusta. Any reports or advice provided by MMA should not be relied upon as accounting, legal, regulatory or tax advice. In all instances, MMA recommends that Augusta seek Augusta's own advice on such matters from professional accounting, legal, regulatory and tax advisors.

L. MMA will not be responsible for the adequacy or effectiveness of any insurance programs or policies implemented by another broker, or any acts or omissions occurring prior to MMA's engagement.

M. MMA may provide to Augusta information and services related to insurance regulatory and insurance tax issues relating to Augusta's insurance program. Any reports or advice provided by MMA will be based on publicly available information and MMA's experience as an insurance broker and risk consultant in dealing with such matters for other

clients and should not be relied upon as accounting, legal, regulatory or tax advice. In all instances, MMA recommends that Augusta seek Augusta's own advice on accounting, legal, regulatory and tax matters from professional legal and tax advisers.

N. MMA may provide Augusta with modeling and/or business analytics services, including hazard loss and catastrophe modeling, loss forecasting and triangles, adverse event simulation, scenario and portfolio risk analysis, decision mapping, risk bearing and risk retention tolerance analysis and insurance program evaluation analysis ("Modeling and Analytics"). Modeling and Analytics services will be based upon a number of assumptions, conditions and factors. If any of them or any information provided to MMA are inaccurate or incomplete or should change, the Modeling and Analytics provided by MMA could be materially affected. These services are subject to inherent uncertainty, and actual results may differ materially from that projected by MMA. They are provided solely for Augusta's benefit, and do not constitute, and are not intended to be a substitute for, actuarial, accounting or legal advice. MMA shall have no liability to any third party in connection with these services or to you with regard to any services performed or provided by a third party. Except to Augusta's insurers in connection with the placement of coverage by MMA and to the extent permitted by law including the Georgia Open Records Act, Augusta shall not share any of MMA's Modeling and Analytics work product with a third party without MMA's prior written consent.

ARTICLE V

INSURANCE

MMA ("Contractor") shall at all times during the term of this Contract, obtain and maintain continuously, at its own expense, and file with Augusta ("the County") evidence of a policy or policies of insurance as enumerated below.

- A. A policy of Commercial General Liability Insurance, written on an insurance industry standard occurrence form for not less than \$1,000,000.
- B. A policy of Professional Liability, Errors and Omissions with limits not less than \$1,000,000.
- C. A policy of Workers Compensation Insurance. As respects Workers Compensation insurance in the State of Georgia, the Contractor shall secure its liability for industrial injury to the employees in accordance with the provisions of § 34-9-1 et seq, Official Code of Georgia Annotated. Such policy must provide the following minimum limit:
 - a. Worker's Compensation – Statutory coverage
 - b. Employer's Liability - \$1,000,000
- D. Any deductible or self-insured retention must be disclosed and is subject to approval by the County. The cost of any claim payments falling within the deductible shall be the responsibility of the Contractor.
- E. If any such policy is written on a "Claims Made" form, the retroactive date shall be prior to or coincident with the Effective Date of this Contract. The policy shall state the coverage is "Claims made" and state the retroactive date. Claims made form coverage shall be maintained by Contractor for a minimum of two years following the expiration or earlier termination of this Contract and Contractor shall annually provide the County with proof of renewal. If renewal of the claims made form of coverage becomes unavailable, or economically prohibitive, Contractor shall purchase an extended reporting period ("tail") or execute another form of guarantee acceptable to the County to assure financial responsibility for liability for services performed.

Additional Insured and Primary Insurance Provisions:

- F. Such insurance, as provided in (1), (2), & (4) above, shall be endorsed to include the County, its officers, elected officials, employees, agents, and volunteers as additional insured, and shall not be reduced or canceled without forty-five (45) days prior written notice to the County.
- G. In addition, Contractor's insurance shall be primary as respects the County, and any other insurance maintained by the County shall be excess and not contributing insurance with the Contractor's insurance.
- H. Evidence of Insurance: The following documents must be provided as evidence of insurance coverage:
- I. A copy of the policies declarations pages, showing the Insuring Company, policy effective dates, limits of liability and the Schedule of Forms and Endorsements.
- J. A copy of the endorsement naming the County as an Additional Insured showing the policy number and signed by an authorized representative of the insurance company for Commercial General Liability and Worker's Compensation.
- K. A copy of an endorsement stating that the coverage's provided by this policy to the County or any other named insured shall not be terminated reduced or otherwise materially changed without providing at least forty-five (45) days prior written notice to the County.
- L. **Policy Rating.** All policies shall be subject to approval by the County Finance Director as to company (must be rated A-VII or higher in the A.M. Best's Key Rating Guide and licensed to do business in the State of Georgia or issued as a surplus line by a Georgia Surplus line broker), form and coverage, and primary to all other insurance.
- M. **Self-Insurance.** Should Contractor be self-insured, under item (1), (2) (3) and (4) above, a letter from a Corporate Officer stipulating if actuarially funds and fund limits; plus, any excess declaration pages to meet the contract requirements. Further, this letter should

advise how Contractor would protect and defend the County as Additional Insured in their Self-Insured layer and include claims handling directions in the event of a claim.

- N. **Subcontractors.** Contractor shall include all subcontractors as insured under its policies or shall furnish separate evidence of insurance as stated above for each subcontractor. All coverages for subcontractors shall be subject to all the requirements stated herein and applicable to their profession.
- O. Failure of the Contractor to furnish and maintain said Insurance requirements shall be considered a material default of this Contract.

ARTICLE VI

TERMINATION

A. Termination of the Agreement for Default. Failure of the MMA, which has not been remedies or waived, to perform or otherwise comply with a material condition of the Agreement shall constitute default. Augusta, Georgia may terminate this contract in part or in whole upon written notice to the MMA pursuant to this term.

B. Augusta shall have the right to terminate this Agreement immediately upon or after any of the following:

1. **Assignment for Creditors:** The MMA makes a general assignment for the benefit of creditors.
2. **Bankruptcy:** The MMA files a petition for relief as a debtor under any Article or chapter of the Federal Bankruptcy Code, as amended from time to time.
3. **Receivership:** A receiver, trustee, or custodian is appointed for all or substantially all of the assets of the MMA in any proceeding brought by or against the MMA, or the MMA consents to or acquiesces in such appointment.

E. Termination. Either party may terminate this Agreement upon 90 days' prior written notice. If MMA terminates this Agreement, Marsh & McLennan Agency's

compensation will be adjusted pro-rata to reflect the duration of the Agreement. If Augusta terminate this Agreement, Marsh & McLennan Agency's annual compensation will be deemed earned as follows and each anniversary date thereafter: 60% at the commencement of the current contract year; 75% after four months of the current contract year; and 100% after seven months of the current contract year.

F. Furthermore, Augusta may terminate this Agreement at any time upon the giving of written notice as follows:

1. In the event that the MMA fails to discharge any obligations or remedy any default or breach under this Agreement for a period continuing more than thirty (30) days after the providing written notice specifying such failure or default and that such failure or default continues to exist as of the date upon which such notice so terminating this Agreement is given; or
2. In the event that the MMA makes an assignment for the benefit of creditors, or commences or has commenced against it any proceeding in bankruptcy, insolvency, or reorganization pursuant to bankruptcy laws or laws of debtor's moratorium; or
3. In the event that appropriate and otherwise unobligated funds are no longer available to satisfy the obligations of Risk.

G. Temporary Suspension or Delay of Performance of Contract. To the extent that it does not alter the scope of this Agreement, Augusta Georgia may unilaterally order a temporary stopping of the work, or delaying of the work to be performed by MMA under this Agreement.

ARTICLE VII

MISCELLANEOUS PROVISIONS

A. MMA will promptly observe and comply with applicable provisions of all published federal, state, and local laws, rules and regulations which govern or apply to the services rendered by MMA herein, or to the wages paid by MMA to its employees.

B. MMA will procure and keep in force during the term of this Agreement all necessary licenses, registrations, certificates, permits, and other authorizations as are required herein.

C. All reports, documents, data bases, commercials, and other deliverable products produced by MMA for sole purposes of Risk under the terms of this Agreement will at all times be the exclusive property of Risk.

D. Governing Law. This Agreement and any questions concerning its validity, construction or performance shall be governed by the laws of the State of Georgia, irrespective of the place of execution or the place or places of performance.

E. Counterparts. This Agreement may be executed in more than one counterpart, each of which shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

F. Severability. In the event that any part, provision or term of this Agreement shall, for any reason, be determined to be invalid, illegal, or unenforceable in any respect, the Parties shall negotiate in good faith and agree to such amendments, modifications, or supplements of or to this Agreement or such other appropriate actions as shall, to the maximum extent practicable in light of such determination, implement and give effect to the intentions of the Parties as reflected herein, and the other provisions of this Agreement shall, as so amended, modified, supplemented, or otherwise affected by such action, remain in full force and effect.

G. No Third Party Beneficiary. This Agreement is intended to be solely for the benefit of MMA and Augusta and their respective successors and permitted assigns and is not intended to and shall not confer any rights or benefits on any Person not a signatory hereto.

H. Risk Approvals and Consents. When this Agreement requires any approval or consent by Augusta to a MMA submission, request or report, the approval or consent shall be given by Risk's Authorized Representative in writing and such writing shall be conclusive evidence of such approval or consent, subject only to compliance by Risk with the applicable law that generally governs its affairs. Unless expressly stated otherwise in this Agreement, and except for requests, reports and submittals made by the MMA that do not, by their terms or the terms of this Agreement, require a response or action, if Risk does not find a request, report or submittal acceptable, it shall provide written response to MMA describing its objections and the reasons therefore within thirty (30) days of the Risk's receipt thereof. If no response is received, the request, report or submittal shall be deemed rejected.

I. Notices and Authorized Representatives. All notices, consents, approvals or communications required or permitted hereunder shall be and may be relied upon when in writing and shall be (i) transmitted by registered or certified mail, postage prepaid, return receipt requested, with notice deemed to be given upon receipt, or (ii) delivered by hand or nationally recognized courier service, or (iii) sent by facsimile transmission with confirmed receipt thereof, with a hard copy thereof transmitted pursuant to (i) or (ii) above. All such notices, consents, approvals or communications shall be addressed as follows:

For Augusta: Office of the Mayor
535 Telfair Street
Suite 200
Augusta, Georgia 30901

Augusta Finance Department
535 Telfair Street
Augusta, Georgia 30901
Attn: Judy Blackstone

With a Copy to:
General Counsel
Augusta Law Department
535 Telfair Street, Building 3000
Augusta, GA 30901

For MMA:

Marsh McLennan Agency LLC
2601 Commons Blvd.
Augusta, GA 30909
Attn: Phil Harison, Jr

J. Nondiscrimination. During the performance of services under this Agreement, MMA agrees that it will not discriminate against any employee or applicant for employment because of race, color, religion, sex, age, or national origin. MMA will take affirmative action to ensure that applicants are employed, and employees are treated during employment, without regard to their race, color, religion, sex, age, or national origin. Such action will include but not be limited to the following: employment, upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

K. Indemnification. MMA hereby agrees to hold harmless, indemnify and defend Augusta, Georgia, the Augusta Finance Department, its members, elected officials, officers and employees, against any claim, action, loss, damage, injury (whether mental or physical, and including death to persons, or damage to property), liability, cost and expense of whatsoever kind or nature including, but not by way of limitation, attorneys' fees and court costs, caused by negligent acts or acts of commission or omission by MMA its officers, employees, sub-MMAs, or other representatives.

L. Compliance with laws: The MMA shall obtain and maintain all licenses, permits, liability insurance, workman's compensation insurance and comply with any and all other standards or regulations required by federal, state or City statute, ordinances and rules during the performance of any contract between the MMA and Augusta. MMA shall also provide, pay for, and maintain with companies, reasonably satisfactory to Augusta, the types of insurance as set forth in the Augusta-Richmond County Code, and Georgia law as the same may be amended from time to time.

M. Prompt Pay Act. The terms of this Agreement supersede any and all provisions of the Georgia Prompt Pay Act.

N. MMA ("Contractor") acknowledges that this contract and any changes to it by amendment, modification, change order or other similar document may have required or may require the legislative authorization of the Board of Commissioners and approval of the Mayor. Under Georgia law, Contractor is deemed to possess knowledge concerning Augusta, Georgia's ability to assume contractual obligations and the consequences of Contractor's provision of goods or services to Augusta, Georgia under an unauthorized contract, amendment, modification, change order or other similar document, including the possibility that the Contractor may be precluded from recovering payment for such unauthorized goods or services. Accordingly, Contractor agrees that if it provides goods or services to Augusta, Georgia under a contract that has not received proper legislative authorization or if the Contractor provides goods or services to Augusta, Georgia in excess of the any contractually authorized goods or services, as required by Augusta, Georgia's Charter and Code, Augusta, Georgia may withhold payment for any unauthorized goods or services provided by Contractor. Contractor assumes all risk of non-payment for the provision of any unauthorized goods or services to Augusta, Georgia, and it waives all claims to payment or to other remedies for the provision of any unauthorized goods or services to Augusta, Georgia,

however characterized, including, without limitation, all remedies at law or equity. This acknowledgement shall be a mandatory provision in all Augusta, Georgia contracts for goods and services, except revenue producing contracts.

O. All contractors and subcontractors entering into contracts with Augusta, Georgia for the physical performance of services shall be required to execute an Affidavit verifying its compliance with O.C.G.A. § 13-10-91, stating affirmatively that the individual, firm, or corporation which is contracting with Augusta, Georgia has registered with and is participating in a federal work authorization program. All contractors and subcontractors must provide their E-Verify number and must be in compliance with the electronic verification of work authorized programs operated by the United States Department of Homeland Security or any equivalent federal work authorization program operated by the United States Department of Homeland Security to verify information of newly hired employees, pursuant to the Immigration Reform and Control Act of 1986 (IRCA), P.L. 99-603, in accordance with the applicability provisions and deadlines established in O.C.G.A. § 13-10-91 and shall continue to use the federal authorization program throughout the contract term. All contractors shall further agree that, should it employ or contract with any subcontractor(s) in connection with the physical performance of services pursuant to its contract with Augusta, Georgia the contractor will secure from such subcontractor(s) each subcontractor's E-Verify number as evidence of verification of compliance with O.C.G.A. § 13-10-91 on the subcontractor affidavit provided in Rule 300-10-01-.08 or a substantially similar form. All contractors shall further agree to maintain records of such compliance and provide a copy of each such verification to Augusta, Georgia at the time the subcontractor(s) is retained to perform such physical services.

P. Throughout the term of this contract, MMA will comply with all applicable federal, state, or local laws related to equal employment opportunity and will not discriminate on the

basis of race, color, religion (creed), gender, gender expression, age, national origin (ancestry), disability, marital status, sexual orientation, or military status, in any of its activities or operations. MMA will comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387). MMA certifies that it is not, nor will it employ any individuals or subcontractors who are debarred, suspended, or otherwise excluded by the U.S. Department of Housing and Urban Development, as well as parties declared ineligible under statutory or regulatory authority other than Executive Order 12549. MMA further certifies it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Further, MMA will promptly disclose to Augusta if this certification ceases to be accurate at any point during the contract period. As applicable, MMA will comply with the requirements of 2 CFR 200.322 related to the procurement of materials under this contract.

Q. Inspection. Augusta, Georgia may, at reasonable times, inspect the part of the plant, place of business, or work site of MMA or any subcontractor of MMA or subunit thereof which is pertinent to the performance of any contract awarded or to be awarded by Augusta, Georgia. MMA agrees to maintain records of costs and services provided to document and fully support billings. All books, records and other documents relevant to this agreement shall be retained for a period of three years after the end of the fiscal year during which they were created. Augusta and their duly authorized representatives shall have access to the books, documents, papers, and records of MMA which are directly pertinent to this Agreement for the purpose of making audit, examination, excerpts, and transcripts.

R. Independent Contractor. The MMA shall act at all times as an independent contractor, not as an agent of Augusta or Augusta Finance Department; and shall retain control over its employees, agents, servants and subcontractors.

S. Assignment and Subcontracting. The MMA shall not sell, convey, transfer, mortgage, subcontract, sublease or assign this Agreement or any part thereof, or any rights created thereby, without the prior written consent of Augusta. Any assignment or transfer of this Agreement or any rights of the MMA hereunder, without the prior written consent of Augusta shall be invalid, and shall convey to Augusta the right to terminate this Agreement at its sole discretion.

T. Choice of Law and Venue. This Agreement shall be performable and enforceable in the Superior Court of Richmond County, Georgia, and shall be construed in accordance with the laws of the State of Georgia. MMA by execution of this Agreement specifically consents to jurisdiction and venue in the Superior Court of Richmond County and waives any right to contest same.

U. Invalid Provisions: If any covenant, condition or provision contained in this Agreement is held to be invalid by any Court of competent jurisdiction, the invalidity of any such covenant, condition or provision shall in no way affect any other covenants, conditions or provisions contained in this Agreement; provided, that the validity of such covenant, condition or provision does not materially prejudice either Risk or MMA in its respective rights and obligations contained in the valid covenants, conditions or provisions of this Agreement.

V. Waivers. Failure by Augusta to insist upon the strict performance by the MMA of any of the terms herein contained shall not constitute a waiver of Augusta's right to thereafter enforce any such term, but the same shall continue in full force and effect. The exercise of

any right to terminate arising under this Agreement shall not operate to deprive Augusta of any coexisting right to seek damages or other remedies arising from the default of the MMA.

W. Entire Agreement. This Agreement constitutes the entire agreement between the parties and will supersede and replace all prior agreements or understandings, written or oral, in relation to the matters set forth herein. Notwithstanding the foregoing, however, MMA hereby affirms the completeness and accuracy of all of the information provided by it in its proposal to Augusta in pursuit of this Agreement. Should there be a conflict between any provision in this Agreement and MMA's response to RFP 22-274 (Exhibit "A"), the MMA's response to RFP 22-274 shall take precedence over this Agreement.

[SIGNATURES ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, a duly authorized representative of each party has executed this Agreement as of the date(s) set forth below.

Marsh McLennan Agency LLC

Augusta, Georgia

By: _____

By: _____

Name: Phil Harison, Jr

Name:

Title: Managing Director

Title: Mayor

Date: _____

Date: _____

Finance Department/Risk Management

By: _____

Name: _____

Title: _____

Date: _____

Attest: _____
Lena J. Bonner, Clerk of Commission

APPENDIX A
RFP 22-274 and MMA'S RESPONSE TO RFP 22-274

Appendix B Compensation Disclosure

Marsh & McLennan Agency LLC (“MMA”) prides itself on being an industry leader in the area of transparency and compensation disclosure. We believe you should understand how we are paid for the services we are providing to you. We are committed to compensation transparency and to disclosing to you information that will assist you in evaluating potential conflicts of interest.

As a professional insurance producer, MMA and its subsidiaries facilitate the placement of insurance coverage on behalf of our clients. As an independent insurance agent, MMA may have authority to obligate an insurance company on behalf of our clients and as a result, we may be required to act within the scope of the authority granted to us under our contract with the insurer. In accordance with industry custom, we are compensated either through commissions that are calculated as a percentage of the insurance premiums charged by insurers, or fees agreed to with our clients.

MMA engages with clients on behalf of itself and in some cases as agent on behalf of its non-US affiliates with respect to the services we may provide. For a list of our non-US affiliates, please visit: <https://mma.marshmma.com/non-us-affiliates>. In those instances, MMA will bill and collect on behalf of the non-US Affiliates amounts payable to them for placements made by them on your behalf and remit to them any such amounts collected on their behalf;

MMA receives compensation through one or a combination of the following methods:

- **Retail Commissions** – A retail commission is paid to MMA by the insurer (or wholesale broker) as a percentage of the premium charged to the insured for the policy. The amount of commission may vary depending on several factors, including the type of insurance product sold and the insurer selected by the client.
- **Client Fees** – Some clients may negotiate a fee for MMA’s services in lieu of, or in addition to, retail commissions paid by insurance companies. Fee agreements are in writing, typically pursuant to a Client Service Agreement, which sets forth the services to be provided by MMA, the compensation to be paid to MMA, and the terms of MMA’s engagement. The fee may be collected in whole, or in part, through the crediting of retail commissions collected by MMA for the client’s placements.
- **Contingent Commissions** – Many insurers agree to pay contingent commissions to insurance producers who meet set goals for all or some of the policies the insurance producers place with the insurer during the current year. The set goals may include volume, profitability, retention and/or growth thresholds. Because the amount of contingent commission earned may vary depending on factors relating to an entire book of business over the course of a year, the

amount of contingent commission attributable to any given policy typically will not be known at the time of placement.

- **Supplemental Commissions** – Certain insurers and wholesalers agree to pay supplemental commissions, which are based on an insurance producer’s performance during the prior year. Supplemental commissions are paid as a percentage of premium that is set at the beginning of the calendar year. This percentage remains fixed for all eligible policies written by the insurer during the ensuing year. Unlike contingent commissions, the amount of supplemental commission is known at the time of insurance placement. Like contingent commissions, they may be based on volume, profitability, retention and/or growth.
- **Wholesale Broking Commissions** – Sometimes MMA acts as a wholesale insurance broker. In these placements, MMA is engaged by a retail agent that has the direct relationship with the insured. As the wholesaler, MMA may have specialized expertise, access to surplus lines markets, or access to specialized insurance facilities that the retail agent does not have. In these transactions, the insurer typically pays a commission that is divided between the retail and wholesale broker pursuant to arrangements made between them.
- **Medallion Program and Sponsorships** – Pursuant to MMA’s Medallion Program, participating carriers sponsor educational programs, MMA events and other initiatives. Depending on their sponsorship levels, participating carriers are invited to attend meetings and events with MMA executives, have the opportunity to provide education and training to MMA colleagues and receive data reports from MMA. Insurers may also sponsor other national and regional programs and events.
- **Other Compensation & Sponsorships** – From time to time, MMA may be compensated by insurers for providing administrative services to clients on behalf of those insurers. Such amounts are typically calculated as a percentage of premium or are based on the number of insureds. Additionally, insurers may sponsor MMA training programs and events.

We will be pleased to provide you additional information about our compensation and information about alternative quotes upon your request. For more detailed information about the forms of compensation we receive please refer to our Marsh & McLennan Agency Compensation Guide at <https://www.marshmma.com/us/compensation-guide.html>.

MMA’s aggregate liability arising out of or relating to any services on your account shall not exceed ten million dollars (\$10,000,000), and in no event shall we be liable for any indirect, special, incidental, consequential or punitive damages or for any lost profits or other economic loss arising out of or relating to such services. In addition, you agree to waive your right to a jury trial in any action or legal proceeding arising out of or relating to such services. The foregoing limitation of liability and jury waiver shall apply to the fullest extent permitted by law.

FYI: Process Regarding Request for Proposals

Sec. 1-10-51. Request for proposals.

Request for proposals shall be handled in the same manner as the bid process as described above for solicitation and awarding of contracts for goods or services with the following exceptions:

- (a) Only the names of the vendors making offers shall be disclosed at the proposal opening.
- (b) Content of the proposals submitted by competing persons shall not be disclosed during the process of the negotiations.
- (c) Proposals shall be open for public inspection only after the award is made.
- (d) Proprietary or confidential information, marked as such in each proposal, shall not be disclosed without the written consent of the offeror.
- (e) Discussions may be conducted with responsible persons submitting a proposal determined to have a reasonable chance of being selected for the award. These discussions may be held for the purpose of clarification to assure a full understanding of the solicitation requirement and responsiveness thereto.
- (f) Revisions may be permitted after submissions and prior to award for the purpose of obtaining the best and final offers.
- (g) In conducting discussions with the persons submitting the proposals, there shall be no disclosure of any information derived from the other persons submitting proposals.

Sec. 1-10-52. Sealed proposals.

- (a) *Conditions for use.* In accordance with O.C.G.A. § 36-91-21(c)(1)(C), the competitive sealed proposals method may be utilized when it is determined in writing to be the most advantageous to Augusta, Georgia, taking into consideration the evaluation factors set forth in the request for proposals. The evaluation factors in the request for proposals shall be the basis on which the award decision is made when the sealed proposal method is used. Augusta, Georgia is not restricted from using alternative procurement methods for

obtaining the best value on any procurement, such as Construction Management at Risk, Design/Build, etc.

- (b) *Request for proposals.* Competitive sealed proposals shall be solicited through a request for proposals (RFP).
- (c) *Public notice.* Adequate public notice of the request for proposals shall be given in the same manner as provided in section 1-10- 50(c)(Public Notice and Bidder's List); provided the normal period of time between notice and receipt of proposals minimally shall be fifteen (15) calendar days.
- (d) *Pre-proposal conference.* A pre-proposal conference may be scheduled at least five (5) days prior to the date set for receipt of proposals, and notice shall be handled in a manner similar to section 1-10-50(c)-Public Notice and Bidder's List. No information provided at such pre-proposal conference shall be binding upon Augusta, Georgia unless provided in writing to all offerors.
- (e) *Receipt of proposals.* Proposals will be received at the time and place designated in the request for proposals, complete with bidder qualification and technical information. No late proposals shall be accepted. Price information shall be separated from the proposal in a sealed envelope and opened only after the proposals have been reviewed and ranked.

The names of the offerors will be identified at the proposal acceptance; however, no proposal will be handled so as to permit disclosure of the detailed contents of the response until after award of contract. A record of all responses shall be prepared and maintained for the files and audit purposes.

- (f) *Public inspection.* The responses will be open for public inspection only after contract award. Proprietary or confidential information marked as such in each proposal will not be disclosed without written consent of the offeror.
- (g) *Evaluation and selection.* The request for proposals shall state the relative importance of price and other evaluation factors that will be used in the context of proposal evaluation and contract award. (Pricing proposals will not be opened until the proposals have been reviewed and ranked). Such evaluation factors may include, but not be limited to:

- (1) The ability, capacity, and skill of the offeror to perform the contract or

provide the services required;

- (2) The capability of the offeror to perform the contract or provide the service promptly or within the time specified, without delay or interference;
 - (3) The character, integrity, reputation, judgment, experience, and efficiency of the offeror;
 - (4) The quality of performance on previous contracts;
 - (5) The previous and existing compliance by the offeror with laws and ordinances relating to the contract or services;
 - (6) The sufficiency of the financial resources of the offeror relating to his ability to perform the contract;
 - (7) The quality, availability, and adaptability of the supplies or services to the particular use required; and
 - (8) Price.
- (h) *Selection committee.* A selection committee, minimally consisting of representatives of the procurement office, the using agency, and the Administrator's office or his designee shall convene for the purpose of evaluating the proposals.
 - (i) *Preliminary negotiations.* Discussions with the offerors and technical revisions to the proposals may occur. Discussions may be conducted with the responsible offerors who submit proposals for the purpose of clarification and to assure full understanding of, and conformance to, the solicitation requirements. Offerors shall be accorded fair and equal treatment with respect to any opportunity for discussions and revision of proposals and such revisions may be permitted after submission and prior to award for the purpose of obtaining best and final offers. In conducting discussions, there shall be no disclosure of information derived from proposals submitted by competing offerors.
 - (j) From the date proposals are received by the Procurement Director through the date of contract award, no offeror shall make any substitutions, deletions,

additions or other changes in the configuration or structure of the offeror's teams or members of the offeror's team.

- (k) *Final negotiations and letting the contract.* The Committee shall rank the technical proposals, open and consider the pricing proposals submitted by each offeror. Award shall be made or recommended for award through the Augusta, Georgia Administrator, to the most responsible and responsive offeror whose proposal is determined to be the most advantageous to Augusta, Georgia, taking into consideration price and the evaluation factors set forth in the request for proposals. No other factors or criteria shall be used in the evaluation. The contract file shall contain a written report of the basis on which the award is made/recommended. The contract shall be awarded or let in accordance with the procedures set forth in this Section and the other applicable sections of this chapter.