



Amendment No. 4
of
Contract No. NA160000183
for
City of Austin Property Insurance
between
Factory Mutual Insurance Co., D/B/A
FM Global
and the
City of Austin

- 1.0 The City hereby exercises this extension option for the subject contract. This extension option will be effective October 1, 2019 to September 30, 2020. Three (3) extension options remain.

Term	Action Amount	Total Contract Amount
Basic Term 10/1/16 – 09/30/17	\$2,829,355.00	\$2,829,355.00
Amendment No. 1: Administrative Increase 1/23/17	\$58,000.00	\$2,887,355.00
Amendment No. 2: Option 1 - Extension 10/1/17 – 09/30/18	\$3,427,563.00	\$6,314,918.00
Amendment No. 3: Option 2 – Extension 10/1/2018 – 09/30/2019	\$4,035,193.00	\$10,350,111.00
Amendment No. 4: Option 3 – Extension 10/1/2019 – 09/30/2020	\$4,660,648.00	\$15,010,759.00

- 2.0 MBE/WBE goals were not established for this contract.
- 3.0 By signing this Amendment, the Contractor certifies that the Contractor and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the General Services Administration (GSA) List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.
- 4.0 All other terms and conditions ~~remain the same~~ per renewal quote provided.

BY THE SIGNATURES affixed below, this Amendment is hereby incorporated into and made a part of the above-referenced contract.

Signature and Date: Annette Konieczka 9/30/19
Printed Name: Annette Konieczka
Authorized Representative

Signature and Date: Cyrenthia Ellis 9/30/19
Cyrenthia Ellis, Procurement Manager
City of Austin
Purchasing Office

Factory Mutual Insurance Co., dba FM Global
5700 Granite Parkway Ste 700
Plano, TX 75024



Amendment No. 3
of
Contract No. NA160000183
for
City of Austin Property Insurance
between
Factory Mutual Insurance Co.,
dba FM Global
and the
City of Austin

- 1.0 The City hereby amends Amendment No. 2, Line 1.0 to read, "Five extension options remain."
- 2.0 The City hereby exercises this extension option for the subject contract. This extension option will be effective October 1, 2018 through September 30, 2019. Four extension options remain.
- 3.0 The total contract amount is increased by \$4,035,193.00 by this extension period. The total contract authorization is recapped below:

Term	Action Amount	Total Contract Amount
Basic Term 10/01/2016 – 09/30/2017	\$2,829,355.00	\$2,829,355.00
Amendment No. 1: Administrative Increase 01/23/2017	\$58,000.00	\$2,887,355.00
Amendment No. 2: Option 1 - Extension 10/01/2017 – 09/30/2018	\$3,427,563.00	\$6,314,918.00
Amendment No. 3: Option 2 – Extension 10/01/2018 – 09/30/2019	\$4,035,193.00	\$10,350,111.00

- 4.0 MBE/WBE goals were not established for this contract.
- 5.0 By signing this Amendment, the Contractor certifies that the Contractor and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the General Services Administration (GSA) List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.
- 6.0 All other terms and conditions remain the same.

BY THE SIGNATURES affixed below, this Amendment is hereby incorporated into and made a part of the above-referenced contract.

Signature and Date: Annette Konieczka 9/10/18
Printed Name:
Authorized Representative

Factory Mutual Insurance Co.
dba FM Global
5700 Granite Parkway Ste 700 One Cowboys Way,
Plano, TX 75024 Suite 600
(972) 731-1867 Frisco, TX 75034
Annette.Konieczka@fmglobal.com

Signature and Date: Cyrenthia Ellis 9/11/2018
Cyrenthia Ellis
Procurement Manager

City of Austin
Purchasing Office
124 West Street, Suite 310
Austin, Texas 78701



Amendment No. 2
of
Contract No. NA160000183
for
City of Austin Property Insurance
between
Factory Mutual Insurance Co., dba
FM Global
and the
City of Austin

- 1.0 The City hereby exercises this extension option for the subject contract. This extension option will be effective October 1, 2017 to September 30, 2018. No options remain.
- 2.0 The total contract amount is increased by \$3,427,563.00 for the extension option period. The total Contract authorization is recapped below:

Term	Action Amount	Total Contract Amount
Basic Term 10/1/16 – 09/30/17	\$2,829,355.00	\$2,829,355.00
Amendment No. 1: Administrative Increase 1/23/17	\$58,000.00	\$2,887,355.00
Amendment No. 2: Option 1 10/1/17 – 09/30/18	\$3,427,563.00	\$6,314,918.00

- 3.0 MBE/WBE goals were not established for this contract.
- 4.0 By signing this Amendment the Contractor certifies that the Contractor and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the General Services Administration (GSA) List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.
- 5.0 All other terms and conditions remain the same.

BY THE SIGNATURES affixed below, this Amendment is hereby incorporated into and made a part of the above-referenced contract.

Signature and Date:

[Signature] 9/7/17

Printed Name: ROGER HOUSEL
Authorized Representative

Factory Mutual Insurance Co., dba FM Global
5700 Granite Parkway Ste 700
Plano, TX 75024

Signature and Date:

[Signature] 9/6/17
Danielle Lord, Procurement Manager
City of Austin
Purchasing Office



Amendment No. 1
To
Contract No. MA 5800 NA160000183
For
City of Austin Property Insurance
Between
Factory Mutual Insurance Company
And The
City of Austin

1.0 The Contract is hereby amended as follows:

1.2 Paragraph 1.4 is deleted and replaced in its entirety with the following:

3.1 **Compensation.** The Insurer shall be paid a total not-to-exceed amount of \$2,887,355 for the initial Contract term, \$3,427,563 for the first extension option, \$4,035,193 for the second extension option, \$4,660,648 for the third extension option, \$5,460,043 for the fourth extension option, \$6,306,350 for the fifth extension option, and \$7,283,834 for the sixth extension option for a total Contract amount not-to-exceed \$34,060,986.

2.0 The total Contract authorization is recapped below:

Term	Contract Amount for the Item	Total Contract Amount
Base Term: 10/01/2016 – 09/30/2017	\$2,829,355.00	\$2,829,355.00
Amendment No. 1: Administrative Increase 10/01/2016 – 09/30/2017	\$58,000.00	\$2,887,355.00


3.0 MBE/WBE goals were not established for this Contract.

4.0 By signing this Amendment the Contractor certifies that the Contractor and its principals are not currently suspended or debarred from doing business with the Federal Government, as indicated by the General Services Administration (GSA) List of Parties Excluded from Federal Procurement and Non-Procurement Programs, the State of Texas, or the City of Austin.


5.0 ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

BY THE SIGNATURES affixed below, this Amendment is hereby incorporated and made a part of the above referenced Contract.

Signature & Date:

 1/20/17
Printed Name: ROGER HOUSE
Authorized Representative
Factory Mutual Insurance Co.
5700 Granite Parkway
Suite 700
Plano, TX 75024

Signature & Date:

 1-25-17
Printed Name: Roger Stricklin
Corporate Contract Administrator
City of Austin Purchasing Office

**CONTRACT BETWEEN THE CITY OF AUSTIN ("CITY" OR "INSURED")
AND
FACTORY MUTUAL INSURANCE COMPANY ("CONTRACTOR", "INSURER" OR "COMPANY")
FOR
CITY OF AUSTIN PROPERTY INSURANCE
MA 5800 NA160000183**

The City accepts the Insurer's Offer (as referenced in Section 1.1.3 below) for the above requirement and enters into the following Contract.

This Contract is between Factory Mutual Insurance Company having offices at 5700 Granite Parkway, Suite 700, Plano, Texas 75024 and the City, a home-rule municipality incorporated by the State of Texas, and is effective as of October 1, 2016 ("Effective Date").

Capitalized terms used but not defined herein have the meanings given them in Request for Proposal TVN0060 (the "RFP")

1.1 This Contract is composed of the following documents:

- 1.1.1 This document
- 1.1.2 The RFP, including all documents incorporated by reference
- 1.1.3 The Insurer's Proposal, dated May 24, 2016, including all attachments, related submittals, and subsequent clarifications ("Insurer's Proposal").
- 1.1.4 The Insurer's Policy No. 1018973 for Account No. 1-56101 (the "Policy").

1.2 Order of Precedence. Any inconsistency or conflict in the Contract documents shall be resolved by giving precedence in the following order:

- 1.2.1 The Policy as referenced in Section 1.1.4
- 1.2.2 This document
- 1.2.3 The RFP as referenced in Section 1.1.2, including all documents incorporated by reference
- 1.2.4 The Insurer's Proposal as referenced in Section 1.1.3, including all attachments, related submittals, and subsequent clarifications.

1.3 Term of Contract. The Contract will be in effect for an initial term of 12 months and may be extended thereafter for up to six 12 month extension options, subject to the approval of the Insurer and the City Purchasing Officer or his designee. See the Term of Contract provision in Section 0400 of the RFP for additional Contract requirements.

1.4 Compensation. The Insurer shall be paid a total not-to-exceed amount of \$2,829,355 for the initial Contract term, \$3,427,563 for the first extension option, \$4,035,193 for the second extension option, \$4,660,648 for the third extension option, \$5,460,043 for the fourth extension option, \$6,306,350 for the fifth extension option, and \$7,283,834 for the sixth extension option for a total Contract amount not-to-exceed \$34,002,986..

1.5 Quantity of Work. There is no guaranteed quantity of work for the period of the Contract and there are no minimum order quantities.

1.6 Clarifications and Additional Agreements. Coverage shall be provided by the Insurer to the City for Option B and the Terrorism Option at the premiums specified on page 15 of the Insurer's Proposal and as described therein. In addition, the following clarifications and/or changes are hereby made to the Policy and/or the Insurer's Proposal. The Policy is intended to provide the specific coverages, limitations, and exclusions and the Insurer's Proposal is intended to be a summary of coverages/deductibles.

- 1.6.1 The sublimit cap for items not scheduled under the Fine Arts coverage is increased from \$10,000 per item not scheduled to \$50,000 per item not scheduled.
- 1.6.2 The definition of Fine Arts is expanded to include jewelry, coins, stamps, precious stones, and precious metals with the same coverage terms and sublimits. The Insurer shall meet with City representatives at a time and location to be determined by the City to discuss coverage for jewelry, coins stamps, precious stones and precious metals which may result in additional premium.
- 1.6.3 Fine Art Schedules shall be retained by both parties and updated as needed.
- 1.6.4 The sublimit cap for items not scheduled under the Valuable Papers and Records coverage is increased from \$10,000 per item not scheduled to \$50,000 per item not scheduled.
- 1.6.5 The Insurer shall only insure the real and personal property at City landfills and/or locations that produce Dillo Dirt; not any type of dirt or fill.
- 1.6.6 The exclusion for Leased Property is removed as it is the Insurer's intent to cover property owned or leased by the City.
- 1.6.7 The Insurer shall provide coverage for underground pipes, tunneling, transmission and distribution lines of every type and description within 1,000 feet of the City's insured premises. The Insurer shall meet with City representatives at a time and location to be determined by the City to discuss coverage outside the property lines of the locations shown on the Schedule of Locations in the Policy which may result in additional premium.
- 1.6.8 Coverage for the Boardwalk Trail along Lady Bird Lake includes the Boardwalk structure in its entirety but not any crushed granite trails. The Contractor shall update the Policy as needed to reflect coverage for the paved sections, and concrete and steel structures of the Boardwalk Trail along Lady Bird Lake.
- 1.6.9 No coverage endorsement is necessary to ensure coverage is in place for property held as evidence in the City's care, custody, and control. The Policy shall provide coverage for evidence in the City's care, custody and control to extent that the City is legally obligated to provide coverage, or to the extent of the City's interest.
- 1.6.10 The Policy excludes the cost to research, gather, and assemble information for exposed films, records, manuscripts, and drawings. These items are not considered to be Valuable Papers and Records. The cost to research, gather, and assemble information for items considered to be Valuable Papers and Records shall be covered as part of that loss.
- 1.6.11 At the time of a loss, the Insurer shall honor any agreement between the City and the claims adjuster regarding the application of the Actual Cash Value valuation provision F.8.b.
- 1.6.12 The Flood Deductible Appendix is modified to reflect that one deductible applies per location; not per each line item. Therefore, the special deductible provisions (\$500,000 per location) shall apply to the entirety of the City Hall Facility, not just those locations underground.
- 1.6.13 The Insurer shall conduct field engineering visits to flood prone City locations. Thereafter, the Insurer shall meet with the City at times and locations to be determined by the City to discuss possible modifications to the deductibles for Austin Water Lift Stations and additional flood coverage options.

This Contract (including any Exhibits) constitutes the entire agreement of the parties regarding the subject matter of this Contract and supersedes all prior and contemporaneous agreements and understandings, whether written or oral, relating to such subject matter. This Contract may be altered, amended, or modified only by a written instrument signed by the duly authorized representatives of both parties.

In witness whereof, the parties have caused a duly authorized representative to execute this Contract on the date set forth below.

FACTORY MUTUAL INSURANCE COMPANY

ROGER HOUSEL

Printed Name of Authorized Person

RH

Signature

ACCOUNT MANAGER

Title:

9/22/16

Date:

CITY OF AUSTIN

Stephen T. Allen

Printed Name of Authorized Person

Stephen T. Allen

Signature

Corporate Purchasing Manager

Title:

9/23/16

Date:



CITY OF AUSTIN, TEXAS
Purchasing Office
REQUEST FOR PROPOSAL (RFP)
OFFER SHEET

SOLICITATION NO: TVN0060

DATE ISSUED: April 11, 2016

REQUISITION NO.: RQM 5800 16031400317

COMMODITY CODE: 95377

**FOR CONTRACTUAL AND TECHNICAL
ISSUES CONTACT THE FOLLOWING
AUTHORIZED CONTACT PERSON:**

Terry V. Nicholson
Senior Buyer Specialist

Phone: 512-974-2995

E-Mail: Terry.Nicholson@austintexas.gov

Marian Moore
Buyer II

Phone: (512) 974-2062

E-Mail: Marian.Moore@austintexas.gov

LIVE SOLICITATION CLOSING ONLINE: For
RFP's, only the names of respondents will
be read aloud

COMMODITY/SERVICE DESCRIPTION: City of Austin Property
Insurance

PRE-PROPOSAL CONFERENCE TIME AND DATE: 10:00 AM on
April 27, 2016

LOCATION: Learning & Research Center
2800 Spirit of Texas Drive, Austin, TX

PROPERTY INSPECTIONS: Walk-thoughts of multiple COA
properties will take place from 12:00 PM to 5:00 PM on April 27, 2016,
and again from 8:00 AM to 5:00 PM on April 28, 2016.

Participants will be limited to no more than two (2) representatives for
the property inspection and valid government issue identification will
be required.

PROPOSAL DUE PRIOR TO: 2:00 PM on May 19, 2016

PROPOSAL CLOSING TIME AND DATE: 2:00 PM on May 19, 2016

LOCATION: MUNICIPAL BUILDING, 124 W 8th STREET
RM 308, AUSTIN, TEXAS 78701

For information on how to attend the Solicitation Closing online, please
select this link:

<http://www.austintexas.gov/department/bid-opening-webinars>

**When submitting a sealed Offer and/or Compliance Plan, use the proper address for the type of service desired, as
shown below:**

Address for US Mail (Only)	Address for Fedex, UPS, Hand Delivery or Courier
City of Austin	City of Austin, Municipal Building
Purchasing Office-Response Enclosed for Solicitation # TVN0060	Purchasing Office-Response Enclosed for Solicitation # TVN0060
P.O. Box 1088	124 W 8 th Street, Rm 308
Austin, Texas 78767-8845	Austin, Texas 78701
	Reception Phone: (512) 974-2500

NOTE: Offers must be received and time stamped in the Purchasing Office prior to the Due Date and Time. It is the
responsibility of the Offeror to ensure that their Offer arrives at the receptionist's desk in the Purchasing Office prior to the
time and date indicated. Arrival at the City's mailroom, mail terminal, or post office box will not constitute the Offer arriving
on time. See Section 0200 for additional solicitation instructions.

All Offers (including Compliance Plans) that are not submitted in a sealed envelope or container will not be considered.

SUBMIT 1 ORIGINAL, __ COPIES, AND 1 ELECTRONIC COPY OF YOUR RESPONSE

*****SIGNATURE FOR SUBMITTAL REQUIRED ON PAGE 3 OF THIS DOCUMENT*****

This solicitation is comprised of the following required sections. Please ensure to carefully read each section including those incorporated by reference. By signing this document, you are agreeing to all the items contained herein and will be bound to all terms.

SECTION NO.	TITLE	PAGES
0100	STANDARD PURCHASE DEFINITIONS	*
0200	STANDARD SOLICITATION INSTRUCTIONS	*
0300	STANDARD PURCHASE TERMS AND CONDITIONS	*
0400	SUPPLEMENTAL PURCHASE PROVISIONS	4 - 7
0500	SCOPE OF WORK	8 - 14
0600	PROPOSAL PREPARATION INSTRUCTIONS & EVALUATION FACTORS	15 – 19
0605	LOCAL BUSINESS PRESENCE IDENTIFICATION FORM – Complete and return	20 - 21
0800	NON-DISCRIMINATION CERTIFICATION	*
0805	NON-SUSPENSION OR DEBARMENT CERTIFICATION	*
0810	NON-COLLUSION, NON-CONFLICT OF INTEREST, AND ANTI-LOBBYING CERTIFICATION	*
0835	NONRESIDENT BIDDER PROVISIONS – Complete and return	22
0900	MBE/WBE PROCUREMENT PROGRAM PACKAGE NO GOALS FORM – Complete & return	23 - 24
ATT	ATTACHMENTS 1 THROUGH 14 ARE INCLUDED AS SEPARATE DOCUMENTS	-

*** Documents are hereby incorporated into this Solicitation by reference, with the same force and effect as if they were incorporated in full text. The full text versions of the * Sections are available on the Internet at the following online address:**

http://www.austintexas.gov/financeonline/vendor_connection/index.cfm#STANDARDBIDDOCUMENTS

If you do not have access to the Internet, you may obtain a copy of these Sections from the City of Austin Purchasing Office located in the Municipal Building, 124 West 8th Street, Room #308 Austin, Texas 78701; phone (512) 974-2500. Please have the Solicitation number available so that the staff can select the proper documents. These documents can be mailed, expressed mailed, or faxed to you.

INTERESTED PARTIES DISCLOSURE

In addition, Section 2252.908 of the Texas Government Code requires the successful offeror to complete a Form 1295 “Certificate of Interested Parties” that is signed and notarized for a contract award requiring council authorization. The “Certificate of Interested Parties” form must be completed on the Texas Ethics Commission website, printed, signed and submitted to the City by the authorized agent of the Business Entity with acknowledgment that disclosure is made under oath and under penalty of perjury prior to final contract execution.

https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm

The undersigned, by his/her signature, represents that he/she is submitting a binding offer and is authorized to bind the respondent to fully comply with the solicitation document contained herein. The Respondent, by submitting and signing below, acknowledges that he/she has received and read the entire document packet sections defined above including all documents incorporated by reference, and agrees to be bound by the terms therein.

Company Name: _____

Company Address: _____

City, State, Zip: _____

Federal Tax ID No. _____

Printed Name of Officer or Authorized
Representative: _____

Title: _____

Signature of Officer or Authorized
Representative: _____

Date: _____

Email Address: _____

Phone Number: _____

*** Proposal response must be submitted with this Offer sheet to be considered for award**

**CITY OF AUSTIN
PURCHASING OFFICE
SUPPLEMENTAL PURCHASE PROVISIONS
SOLICITATION NO. RFP TVN0060**

The following Supplemental Purchasing Provisions apply to this solicitation:

1. **EXPLANATIONS OR CLARIFICATIONS:** (reference paragraph 5 in Section 0200)

All requests for explanations or clarifications must be submitted in writing to the Purchasing Office no later than 3PM, two (2) weeks prior to the proposal closing date. Submissions may be made via email to Terry.Nicholson@austintexas.gov, or via fax at (512)974-2388.

2. **INSURANCE:** Insurance is required for this solicitation.

A. **General Requirements:** See Section 0300, Standard Purchase Terms and Conditions, paragraph 32, entitled Insurance, for general insurance requirements.

- i. The Contractor shall provide a Certificate of Insurance as verification of coverages required below to the City at the below address prior to contract execution and within 14 calendar days after written request from the City. Failure to provide the required Certificate of Insurance may subject the Offer to disqualification from consideration for award.
- ii. The Contractor shall not commence work until the required insurance is obtained and until such insurance has been reviewed by the City. Approval of insurance by the City shall not relieve or decrease the liability of the Contractor hereunder and shall not be construed to be a limitation of liability on the part of the Contractor.
- iii. The Contractor must also forward a Certificate of Insurance to the City whenever a previously identified policy period has expired, or an extension option or holdover period is exercised, as verification of continuing coverage.
- iv. The Certificate of Insurance, and updates, shall be mailed to the following address:

City of Austin Purchasing Office
P. O. Box 1088
Austin, Texas 78767

B. **Specific Coverage Requirements:** The Contractor shall at a minimum carry insurance in the types and amounts indicated below for the duration of the Contract, including extension options and hold over periods, and during any warranty period. These insurance coverages are required minimums and are not intended to limit the responsibility or liability of the Contractor.

- i. **Worker's Compensation and Employers' Liability Insurance:** Coverage shall be consistent with statutory benefits outlined in the Texas Worker's Compensation Act (Section 401). The minimum policy limits for Employer's Liability are \$100,000 bodily injury each accident, \$500,000 bodily injury by disease policy limit and \$100,000 bodily injury by disease each employee.
 - (1) The Contractor's policy shall apply to the State of Texas and include these endorsements in favor of the City of Austin:
 - (a) Waiver of Subrogation, Form WC420304, or equivalent coverage
 - (b) Thirty (30) days Notice of Cancellation, Form WC420601, or equivalent coverage
- ii. **Commercial General Liability Insurance:** The minimum bodily injury and property damage per occurrence are \$500,000 for coverages A (Bodily Injury and Property Damage) and B (Personal and Advertising Injury).
 - (1) The policy shall contain the following provisions:
 - (a) Contractual liability coverage for liability assumed under the Contract and all other Contracts related to the project.
 - (b) Contractor/Subcontracted Work.
 - (c) Products/Completed Operations Liability for the duration of the warranty period.
 - (d) If the project involves digging or drilling provisions must be included that provide Explosion, Collapse, and/or Underground Coverage.

**CITY OF AUSTIN
PURCHASING OFFICE
SUPPLEMENTAL PURCHASE PROVISIONS
SOLICITATION NO. RFP TVN0060**

- (2) The policy shall also include these endorsements in favor of the City of Austin:
- (a) Waiver of Subrogation, Endorsement CG 2404, or equivalent coverage
 - (b) Thirty (30) days Notice of Cancellation, Endorsement CG 0205, or equivalent coverage
 - (c) The City of Austin listed as an additional insured, Endorsement CG 2010, or equivalent coverage
- iii. **Business Automobile Liability Insurance:** The Contractor shall provide coverage for all owned, non-owned and hired vehicles with a minimum combined single limit of \$500,000 per occurrence for bodily injury and property damage. Alternate acceptable limits are \$250,000 bodily injury per person, \$500,000 bodily injury per occurrence and at least \$100,000 property damage liability per accident.
- (1) The policy shall include these endorsements in favor of the City of Austin:
- (a) Waiver of Subrogation, Endorsement CA0444, or equivalent coverage
 - (b) Thirty (30) days Notice of Cancellation, Endorsement CA0244, or equivalent coverage
 - (c) The City of Austin listed as an additional insured, Endorsement CA2048, or equivalent coverage.
- C. **Endorsements:** The specific insurance coverage endorsements specified above, or their equivalents must be provided. In the event that endorsements, which are the equivalent of the required coverage, are proposed to be substituted for the required coverage, copies of the equivalent endorsements must be provided for the City's review and approval.
3. **TERM OF CONTRACT:**
- A. The Contract shall be in effect for an initial term of twelve (12) months and may be extended thereafter for up to six (6) additional 12-month periods, subject to the approval of the Contractor and the City Purchasing Officer or his designee.
 - B. Upon expiration of the initial term or period of extension, the Contractor agrees to hold over under the terms and conditions of this agreement for such a period of time as is reasonably necessary to re-solicit and/or complete the project (not to exceed 120 days unless mutually agreed on in writing).
 - C. Upon written notice to the Contractor from the City's Purchasing Officer or his designee and acceptance of the Contractor, the term of this contract shall be extended on the same terms and conditions for an additional period as indicated in paragraph A above.
 - D. Prices are firm and fixed for the first 12-months. Thereafter, price changes are subject to the Approval of the Human Resources Department.
4. **INVOICES and PAYMENT:** (reference paragraphs 12 and 13 in Section 0300)
- A. Invoices for Total Premium for Property and Boiler & Machinery Insurance Coverage and Premiums for the City's NFIP Policies shall be invoiced upon receipt of binding orders from the City.
 - B. Invoices shall contain a unique invoice number and the information required in Section 0300, paragraph 12, entitled "Invoices." Invoices received without all required information cannot be processed and will be returned to the vendor.

Invoices shall be mailed to the below address:

	City of Austin
Department	HRD
Attn:	Benny VandenAvond
Address	P.O. Box 1088
City, State Zip Code	Austin, TX 78767-8834

**CITY OF AUSTIN
PURCHASING OFFICE
SUPPLEMENTAL PURCHASE PROVISIONS
SOLICITATION NO. RFP TVN0060**

- C. The Contractor agrees to accept payment either by credit card, check or Electronic Funds Transfer (EFT) for all goods and/or services provided under the Contract. The Contractor shall factor the cost of processing credit card payments into the Offer. There shall be no additional charges, surcharges, or penalties to the City for payments made by credit card.
5. **RETAINAGE:** The City will withhold ten percent (10%) retainage until submission and acceptance by the City of the final work products.. The Contractor's invoice shall indicate the amount due, less the retainage. Upon final acceptance of the work, the Contractor shall submit an invoice for the retainage to the City and payment will be made as specified in the Contract. Payment of the retainage by the City shall not constitute nor be deemed a waiver or release by the City of any of its rights and remedies against the Contractor for recovery of amounts improperly invoiced or for defective, incomplete or non-conforming work under the Contract.
6. **NON-COLLUSION, NON-CONFLICT OF INTEREST, AND ANTI-LOBBYING:**
- A. On November 10, 2011, the Austin City Council adopted Ordinance No. 20111110-052 amending Chapter 2.7, Article 6 of the City Code relating to Anti-Lobbying and Procurement. The policy defined in this Code applies to Solicitations for goods and/or services requiring City Council approval under City Charter Article VII, Section 15 (Purchase Procedures). During the No-Contact Period, Offerors or potential Offerors are prohibited from making a representation to anyone other than the Authorized Contact Person in the Solicitation as the contact for questions and comments regarding the Solicitation.
- B. If during the No-Contact Period an Offeror makes a representation to anyone other than the Authorized Contact Person for the Solicitation, the Offeror's Offer is disqualified from further consideration except as permitted in the Ordinance.
- C. If an Offeror has been disqualified under this article more than two times in a sixty (60) month period, the Purchasing Officer shall debar the Offeror from doing business with the City for a period not to exceed three (3) years, provided the Offeror is given written notice and a hearing in advance of the debarment.
- D. The City requires Offerors submitting Offers on this Solicitation to certify that the Offeror has not in any way directly or indirectly made representations to anyone other than the Authorized Contact Person during the No-Contact Period as defined in the Ordinance. The text of the City Ordinance is posted on the Internet at: <http://www.ci.austin.tx.us/edims/document.cfm?id=161145>
7. **ECONOMIC PRICE ADJUSTMENT:**
- A. **Price Adjustments:** Prices shown in this Contract shall remain firm for the first 12-months of the Contract. After that, in recognition of the potential for fluctuation of the Contractor's cost, a price adjustment (increase or decrease) may be requested by either the City or the Contractor on the anniversary date of the Contract or as may otherwise be specified herein. The requested price adjustment shall not exceed twenty five percent (25%) for any single line item and in no event shall the total amount of the contract be automatically adjusted as a result of the change in one or more line items made pursuant to this provision. Prices for products or services unaffected by verifiable cost trends shall not be subject to adjustment.
- B. **Effective Date:** Approved price adjustments will go into effect on the first day of the upcoming renewal period or anniversary date of contract award and remain in effect until contract expiration unless changed by subsequent amendment.
- C. **Adjustments:** A request for price adjustment must be made in writing and submitted to the other Party prior to the yearly anniversary date of the Contract; adjustments may only be considered at that time unless otherwise specified herein. Requested adjustments must be solely for the purpose of accommodating changes in the Contractor's direct costs. Contractor shall provide an updated price listing once agreed to adjustment(s) have been approved by the parties.

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8. **CONTRACT MANAGER:** The following person is designated as Contract Manager, and will act as the contact point between the City and the Contractor during the term of the Contract:

Benny VandenAvond

Phone: 512-974-3264

Email: Benny.VandenAvond@austintexas.gov

*Note: The above listed Contract Manager is not the authorized Contact Person for purposes of the **NON-COLLUSION, NON-CONFLICT OF INTEREST, AND ANTI-LOBBYING Provision** of this Section; and therefore, contact with the Contract Manager is prohibited during the no contact period.

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1.0 Introduction

About the City of Austin

The City of Austin, Texas, population 912,791 is the 11th largest city in the country. This vibrant and dynamic city tops numerous “Best” lists for business, entertainment, cost of living and quality of life. Austin was selected as the “Best City for the Next Decade” (Kiplinger), the “Top Creative Center” in the US (Entrepreneur.com), and is in the Top Seven List of Intelligent Communities for 2012 as ranked by the Intelligent Community Forum. Austin continues to lead the country with its vision of being the “Most Livable City in the Country”, emerging as a player on the international scene with such events as SXSW, Formula 1 and being home to companies such as Apple, Samsung, Dell, The Seton Healthcare Family and St. David's HealthCare systems. From the home of state government and The University of Texas at Austin, to the “Live Music Capital of the World” and its growth as a film center, Austin has gained worldwide attention as a hub for education, business, health, and sustainability. Since 1900, Austin's population has doubled every 20 years, with continued projected record-breaking growth into the next decade and beyond.

About the City of Austin Government

The City of Austin is a progressive, dynamic, full-service municipal organization operating under the Council-Manager form of government. The Austin City Council is elected from 10 single-member districts (one serves as Mayor Pro Tem), with the Mayor at-large. In this structure, the Mayor and City Council will be limited typically to two consecutive terms.

The City Council appoints the City Manager who is the chief administrative and executive officer of the City. The City Manager has responsibilities for guiding and directing day-to-day operations as well as providing strategic research, recommendations, and management leadership to the City Council on budget, programs, policies and services. The City Manager implements the organization's administrative responsibilities with a strong team of professional department heads and Assistant City Managers. The City Council and City Manager of Austin are committed to their mission of delivering the highest quality services in the most cost effective manner. The organization's vision is to make Austin the most livable city in the country, and the City Manager has resolved to make it the best-managed city in the country.

2.0 Purpose

The City of Austin, hereinafter referred to as “the City”, seeks proposals from brokers, agents and insurers, hereinafter referred to as “Proposers”, who are experienced and qualified in assessing property exposures of large, complex municipalities and in delivering cost-effective, comprehensive property and boiler & machinery insurance coverage, claims handling and ancillary risk management services to effectively manage these risks.

The successful Proposer, hereinafter referred to as “Contractor”, shall place all insurance coverages with insurers that are licensed to do business in the State of Texas and have an A.M. Best rating of B+ VII or better.

3.0 General City Risk Management Information

The Risk Management Division is part of the City's Human Resources Department and is responsible for administration of the City's commercial insurance and risk management programs, its self-insured workers compensation program, wage continuation, and for providing oversight and safety consultation services for all City departments.

The Division has a full time Risk Analyst position that oversees communication between Contractor and all City departments to aid in timely responses to inquiries and recommendations. The director of each department has designated a single point of contact to facilitate loss prevention and boiler & machinery inspections.

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The City has also established an Office of Homeland Security and Emergency Management (HSEM). When large natural disasters occur, HSEM coordinates the emergency response and recovery activities of many different organizations within the area in order to protect citizens and to minimize the impact of losses.

While safety activities in each department may differ, the responsibility to control and prevent losses lies with department management. Each department has assigned Departmental Safety Liaisons (DSLs) who have the responsibility for developing and establishing the operational implementation of the City's Property Conservation Program requirements. A variety of training is available to department managers and DSLs to assist with these responsibilities.

4.0 Property Underwriting Information

- 4.1 The City's current Property and Boiler & Machinery coverage is provided by Lexington Insurance Company. The broker on the City's current Property and Boiler & Machinery coverage is Wortham Insurance & Risk Management. The City's Department Property Schedules are comprehensive in nature and reflect property values at replacement cost.

A comprehensive overview of the City's property and boiler & machinery exposure, including a summary of current insurance coverages, historic premiums, loss history, property schedules, and select site plans is listed below.

- Attachment 1: Summary of Current Coverages
- Attachment 2: Historical Premiums and Paid Losses
- Attachment 3: Carrier Loss Run 2010-2016
- Attachment 4: Summary of Property Values by Department
- Attachment 5: City's Department Property Schedules
- Attachment 6: Schedule of Bridges
- Attachment 7: NFIP Policy List
- Attachment 8: Boardwalk Trail at Ladybird Lake
- Attachment 9: Waller Creek Tunnel Inlet at Waterloo Park Inlet Facility
- Attachment 10: Fine Arts Summary of Values
- Attachment 11: List of Jurisdictional Objects
- Attachment 12: Site Plans for Water Treatment Plants
- Attachment 13: Business Interruption - 5 Year Forecasts
- Attachment 14: 0605 Property Proposal Sheet

Additional City information is available via: <https://austintexas.gov/>

- 4.2 The Risk Management Division updates the City's Department Property Schedules annually by requesting each department to report new locations, deletions, and changes in existing building and content values. Historically, this annual update has occurred between March and May with the final updated City Property Schedules being submitted to the Contractor each June. These Schedules include "below grade" underwriting data, which is defined as a building with a basement area that is completely below the normal grade elevation for all four sides.
- 4.3 Only Austin Energy "office" facilities are included in the City's Department Property Schedules. Austin Energy "power generation" facilities are covered under a separate, stand-alone property policy and are not to be considered part of the scope of this RFP.
- 4.4 Premiums shown on Attachment 2: Historical Premiums and Paid Losses include property and boiler & machinery only. Separate premiums for the two coverages are not available. Premiums for the City's NFIP policies are shown on Attachment 7: NFIP Policy List.

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- 4.5 Coverage is desired for Parks and Recreation Department (PARD) Bridges listed in Attachment 6: Schedule of Bridges. Other large bridges, such as the Pennybacker Bridge, are owned by the State and are not to be covered.
- 4.6 Coverage is desired for Public Works Department's Boardwalk Trail at Ladybird Lake, a concrete and steel boardwalk structure that winds along and over Ladybird Lake in downtown Austin. Details about the Boardwalk Trail at Ladybird Lake are included in Attachment 8: Boardwalk Trail at Ladybird Lake. Value information for the Boardwalk Trail at Ladybird Lake is included in Attachment 5: City's Department Property Schedules.
- 4.7 Coverage is desired for Watershed Protection Department's Waller Creek Tunnel Inlet at Waterloo Park Inlet Facility. Details about the Waller Creek Tunnel Inlet at Waterloo Park Inlet Facility are included in Attachment 9: Waller Creek Tunnel Inlet at Waterloo Park Inlet Facility. Value information for the Waller Creek Tunnel Inlet at Waterloo Park Inlet Facility is included in Attachment 5: City's Department Property Schedules.
- 4.8 Coverage is desired for all City owned and loaned fine art. The City owns fine art which is exhibited throughout the City. The value of all City owned fine art is approximately \$41 Million. The City also exhibits fine art and historical items which are on loan from other entities. Departments are responsible for keeping records of owned fine art and loan agreements and reporting changes to Risk Management. Museums are equipped with security systems. For a list of Fine Art Values, please see Attachment 10: Fine Arts Summary of Values.
- 4.9 The City does not have a specific schedule of all its boilers and machinery that are located throughout its various locations. Attachment 11: List of Jurisdictional Objects contains information on the location of jurisdictional objects as reported by Hartford Steam Boiler.

5.0 Future Property Expansion

- 5.1 The City of Austin is constantly evaluating its expected growth and projected service needs. Below are details on two known property expansion projections currently underway at Austin-Bergstrom International Airport (ABIA) which is owned by the City of Austin and is operated by the Aviation department.
 - 5.1.1 Terminal/Apron Expansion and Improvements - Currently under construction, this \$250+ million Terminal and Apron Expansion and Renovation project will add up to 70,000+ sq. ft. of new terminal concourse space, seven (7) new loading bridges and passenger hold rooms, 12,000 sq. ft. of concession space, increased International Gate capability, Aircraft parking positions, and a new ticket lobby layout/design. Currently, completion of the project is scheduled for summer 2019.
 - 5.1.2 Parking Garage and Administrative Offices – Planned to break ground in winter 2017, this \$120 million project will add up to 4,000 parking garage spaces and administrative office space adjacent to the existing parking garage facility. This project is currently scheduled for completion in winter 2019.

6.0 Scope of Services: The Contractor shall complete the following activities:

- 6.1 Conduct a comprehensive assessment of the City's property exposure profile: Services will include, but not be limited to the following:
 - 6.1.1 Review of City's Department Property Schedules to identify key underwriting data needs and make recommendations for future data improvement and refinement.
 - 6.1.2 Assemble and format the City's Department Property Schedules data for consideration by insurance carriers.
 - 6.1.3 Perform catastrophe modeling, stratification of values, flood loss expectancy analysis, windstorm analysis, etc., on City locations, as necessary.

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- 6.1.4 Evaluate the City's current National Flood Insurance Program (NFIP) policies, property and boiler & machinery insurance coverage, and the City's Department Property Schedules annually to provide recommendations for improved NFIP placement strategies and selected locations to be covered. Currently the City's NFIP policies renew in January to avail the Contractor and the City an opportunity to review the property and boiler & machinery insurance coverage renewal terms and to make educated decisions.
- 6.2 Comprehensive property and boiler & machinery insurance coverage. Services will include, but not be limited to the following:
- 6.2.1 Solicit quotes and negotiate the most favorable property and boiler & machinery insurance coverage, including terms, services, and premiums with insurance carriers.
- 6.2.2 Present quotes and property and boiler & machinery insurance coverage options to the City in a detailed manner that facilitates effective comparison to current coverage. Documents should be in a form that can be shared with executive management. Proposed coverage review should also include evaluation of any proposed endorsements. Provide specimen policy form to the City.
- 6.2.3 Formally present property and boiler & machinery insurance coverage options to City personnel as needed.
- 6.2.4 If requested by the City, bind property and boiler & machinery insurance coverage as quoted and maintain policies without lapses. Ensure that renewal property and boiler & machinery insurance coverage binder(s) are delivered to the City at least twenty-four (24) hours prior to current coverage expiration.
- 6.2.5 Ensure that supplemental property insurance policies purchased by the City, including but not limited to National Flood Insurance Program (NFIP) policies, dovetail with the property and boiler & machinery insurance coverage.
- 6.2.6 As requested by the City, complete all necessary duties related to binding NFIP policy coverage on new locations, including, but not limited to completing applications and acquiring Elevation Certificates.
- 6.2.7 Verify that rates and premiums are properly calculated and charged and confirm to the City in writing that invoiced premiums are correct. If Contractor's services are provided for a flat fee, obtain documentation from insurance carrier(s) that premiums are net of all commissions.
- 6.2.8 The City prefers to pay premiums and all applicable taxes through Contractor rather than direct bill. When premiums are billed through Contractor, make advance payment of premiums due to insurance carrier, as necessary, to ensure no lapse in coverage.
- 6.2.9 Confirm issued policies conform to the quoted property and boiler & machinery insurance coverage specifications. As requested by the City, forward a copy of the completed Policy Review Checklist used to confirm issued policies conform to the quoted coverage specifications. A complete and accurate property and boiler & machinery insurance coverage policy shall be delivered to the City within 90 days of binding coverage.
- 6.2.10 When notified by the City, report building additions and value changes to insurance carrier(s) in accordance with policy conditions.
- 6.2.11 Provide insurance certificates as requested by the City with turnaround of no more than forty-eight (48) hours from request.

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- 6.2.12 Organize and attend meetings as requested by the City and document meeting discussions. Meeting agendas shall be provided to the City at least twenty-four (24) hours in advance of scheduled meeting time and meeting minutes shall be provided to the City at least forty-eight (48) hours post-meeting.
- 6.3 Claims Handling Services: Services will include, but not be limited to the following:
- 6.3.1 When requested by the City, communicate information to insurance carrier(s), report and monitor claims activity.
 - 6.3.2 Provide or obtain from insurance carrier(s) periodic loss runs annually, or as requested by the City.
 - 6.3.3 Provide claims advocacy services if a loss occurs, including but not limited to working with insurance carrier(s) and applicable federal and state agencies.
 - 6.3.4 Provide on-site claims presence within twenty-four (24) hours if requested by the City.
- 6.4 Ancillary Risk Management Services: Services will include, but not be limited to the following:
- 6.4.1 Loss Prevention Inspections: The City requires a minimum of eight (8) comprehensive loss prevention inspections to be completed annually throughout the life of the contract. Such inspections will also be used to collect/confirm key underwriting data as recommended by the Contractor and included in the City's Department Property Schedules. The City requires the proposed inspection team to meet with Risk Management in order to establish formal site visit plans and communication procedures.
 - 6.4.2 Boiler & Machinery Inspections: The City requires jurisdictional inspections to be completed by state certified inspectors for all boilers on a timely basis. The City expects comprehensive boiler and machinery inspections to be completed for all covered objects. Any fines or late inspection fees assessed by Texas Commission of Licensing and Regulation for overdue inspections are the responsibility of the Contractor.
 - 6.4.3 Property Valuation Appraisals: The City requires a minimum of three (3) property valuation appraisals to be completed annually throughout the life of the contract.
 - 6.4.4 Plan Review Services: The City requires up to eighty (80) hours of construction plan review services annually throughout the life of the contract.
 - 6.4.5 Additional Risk Management Services: Perform other risk management services, as requested by the City. Examples of such services could include, but are not limited to assistance or training on Business Continuity Planning, completion of Business Income Worksheets, Crisis Management, Management Reviews and Risk Assessments, as well as timely response to general risk management inquiries, best practices, and other information requests as requested by the City.
- 6.5 Compliance with Scope of Services: The City's final acceptance related to the 10% retainage requirement (see Section 0400, paragraph 5), will be based on compliance with the following requirements:
- 6.5.1 Contractor's ability to maintain property and boiler & machinery coverage without lapse as more fully outlined in Scope of Services section 6.2.4.; or
 - 6.5.2 Contractor's ability to provide minimum loss prevention inspections as more fully outlined in Scope of Services section 6.4.1.; or
 - 6.5.3 Contractor's ability to provide minimum Property Valuation Appraisals as more fully outlined in Scope of Services section 6.4.3.

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7.0 City Responsibilities

The City will, as part of its agreement with Contractor, complete the following activities:

- 7.1 Provide renewal City Department Property Schedules annually to the insurance carrier(s).
- 7.2 Notify the insurance carrier(s) of midterm property schedule changes in accordance with policy conditions.
- 7.3 Respond to all underwriting questions or concerns within five (5) business days of request.
- 7.4 Make available the City's premises for required Loss Prevention Inspections, Boiler & Machinery Inspections, Property Valuation Appraisals, risk assessments, and for any and all claims investigations as requested by the insurance carrier(s).
- 7.5 Pay all Contractor-verified correct invoices within thirty (30) days of receipt.

8.0 Highlights of Current Special Coverage Provisions

The following specific coverage provisions are important but not mandatory:

- 8.1 Loss Provision: Allows the City to replace damaged property with equipment or property that is deemed as more appropriate by the City and to delete the requirement to replace buildings on the same site. The following paragraph indicates the specific policy wording:

"The Insured may elect not to repair or replace the insured real and/or personal property lost, damaged or destroyed. Loss settlement may be elected on the lesser of repair or replacement cost basis if the proceeds of such loss settlement are expended on other capital expenditures related to the Insured's operations within two years from the date of loss. As a condition of collecting under this item, such expenditure must be unplanned as of the date of loss and made at an Insured Location under this policy. This item does not extend to DEMOLITION AND INCREASED COST OF CONSTRUCTION."

- 8.2 9.2. 5% Premium Clause: Provides a 5% Premium Clause provision. The current Policy states the following:

"If any transaction effective between the anniversary dates of the Policy results in a net increase or decrease of less than 5% of the total annual premium of this Policy, such premium change will be effective at the next policy anniversary date and will be included with the next anniversary invoicing for this Policy."

- 8.3 Business Income Provisions: The City expects, at a minimum, business interruption coverage as specified below:

- 8.3.1 Austin Bergstrom International Airport (ABIA) - \$50,000,000 limit

- 8.3.2 Convention Center - \$10,000,000 limit

- 8.3.3 Austin Water Utility - \$10,000,000 limit

- All other city departments (excluding the above and Austin Energy which has its own stand-alone coverage) - \$5,000,000 limit

- 8.4 Mobile Equipment and Vehicles: Property Coverage shall apply to unlicensed mobile equipment and motor vehicles licensed for highway use while parked on or within 1000 feet of City premises. Summary level mobile equipment and motor vehicle values by department are included in Attachment 4: Summary of Property Values.
- 8.5 Fine Arts Floater: The City currently has a \$25,000,000 sublimit for all City-owned and loaned fine art while on premises, in transit, and on exhibit at locations not owned or leased by the City. The policy provides a separate \$2,500 deductible per occurrence for fine arts objects, including while in transit.

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8.6 Cable Equipment Floater: The City currently has cable equipment located at Public Access Community Television, 1143 Northwestern Blvd., Austin, TX. Members of the public can utilize this equipment on the premises or it can be checked out. Detailed records of this equipment are kept, and procedures are in place when equipment is checked out. Cable equipment values are estimated at \$1,000,000, with the largest single value at \$25,000. Transit coverage is included. The policy provides a separate \$1,000 deductible per occurrence to apply to cable equipment, including while in transit.

9.0 Coverage Limits

The City desires comprehensive property and boiler & machinery insurance coverage available written on an "all risk" basis.

All Proposers must provide a property and boiler & machinery insurance coverage quote which includes a Blanket All Risk Property Coverage Limit of Liability of \$750,000,000 per occurrence.

The City is very interested in reviewing alternate Blanket All Risk Property Coverage Limit of Liability limit options. Based upon all exposure data presented in this RFP and Proposer's experience and expertise in providing comprehensive property and boiler & machinery coverage for entities like the City, Proposers may provide one additional/alternate quote option with Blanket All Risk Property Coverage Limit of Liability limits the Proposer recommends the City should consider.

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1. PROPOSAL FORMAT

Prefacing the proposal, the Proposer shall provide an Executive Summary of three (3) pages or less, which gives in brief, concise terms, a summation of the proposal. The proposal itself shall be organized in the following format and informational sequence:

Failure to follow the designated proposal format or failure to provide all requested information outlined below may jeopardize acceptance of the proposal.

A. Part I – Proposer Qualifications:

1. State legal name and address of your organization and identify parent company if you are a subsidiary. Indicate whether you operate as a partnership, corporation, or individual, including the State in which incorporated or licensed to operate.
2. Specify the branch office or other subordinate element which will perform, or assist in performing, the Scope of Services. Provide details on the number of years in business, number of employees, and annual revenues volume.
3. Provide summary resume(s) for proposed key personnel who will be providing services to the City, including their specific roles and responsibilities as related to the Scope of Services, experience providing services of a type and scope similar to the Scope of Services, and number of years of employment with the Proposer.
4. Provide a customer reference list of no less than three (3) organizations with which the Proposer currently and/or previously provided services (within the past three (3) years) of a type and scope similar to the Scope of Services required by the City's RFP. The list should include the customer's name, contact person, telephone number, length of business relationship, and description of services provided by Proposer.
5. Proposer will describe any difficulties it anticipates in performing its duties under the Scope of Services and how the Proposer plans to manage these difficulties.
6. For each carrier providing property and boiler & machinery insurance coverage quotations, provide information regarding the history, organization, and service structure of the carrier. Indicate the location of the underwriting office and the claims services office. Provide a summary resume of the lead underwriter.
7. For each carrier providing property and boiler & machinery insurance coverage quotations, provide financial data for the carrier. Acceptable information would include a current Best's Rating, Standard & Poor's Rating, financial statements and/or annual reports.
8. For each carrier providing property and boiler & machinery insurance coverage quotations provide a list of current Texas and out-of-state policy holders with exposures analogous to those of the City.

B. Part II – Coverage and Limits:

1. Minimum Coverage Requirements

- a. The City requires at a minimum, that proposals contain the basic coverage provisions identified in Section 0500, Scope of Work. Proposals should further include comprehensive coverage provisions to address the risk exposures of a large municipal government with operations as provided by the City.

2. Minimum Coverage Limits

- a. **All Proposers must provide a property and boiler & machinery insurance coverage proposals that includes a Blanket All Risk Property Coverage Limit of Liability of \$750,000,000 per occurrence.**

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- b. The City is very interested in reviewing alternate Blanket All Risk Property Coverage Limit of Liability limit options. Based upon all exposure data presented in this RFP and Proposer's experience and expertise in providing comprehensive property and boiler & machinery coverage for entities like the City, **Proposers may provide one additional/alternate property and boiler & machinery insurance coverage proposals option** with Blanket All Risk Property Coverage Limit of Liability limits the Proposer recommends the City should consider.

3. Submission Requirements

- a. All Proposers providing a property and boiler & machinery insurance coverage proposal **must** complete an **Attachment N: 0610 Property Proposal Sheet**. A separate Attachment N: 0610 Property Proposal Sheet must be completed for each Blanket All Risk Property Coverage Limit of Liability limit option provided.
- b. Attach sample policy form(s) and endorsements for each of the carrier(s) providing property and boiler & machinery insurance coverage quotations.
- c. Highlight important exclusions, restrictions and conditions that will be found in the coverage you are proposing.

C. Part III – Claims Handling Services

1. Provide no less than two (2) specific examples of claims advocacy services Proposer has undertaken when a large property loss occurred to a client.
- Provide summary resume(s) for proposed claim adjuster(s) who will be responsible for handling the City's property claims, including their years of experience with property claims adjusting and number of years of employment with the proposed carrier(s).
2. Describe the average initial response time of proposed claim adjuster(s) for large, single/localized property claims and the average length of time required to complete loss estimates.
3. Briefly describe any contingency plans proposed claim adjuster(s) have in place to thoroughly and quickly adjust claims when a catastrophic, widespread loss event occurs.

D. Part IV – Ancillary Risk Management Services

1. Briefly describe Proposer's plan of action for required Loss Prevention Inspection services, including, but not limited to, the number of loss prevention inspections to be provided annually, strategies used to identify which properties will be inspected, and key areas of inspection focus.
- Identify the entity that will conduct Loss Prevention Inspections and provide detail with regard to the history and service structure of the entity. Indicate the location of the entity's office and provide summary resume(s) of key Loss Prevention Inspection personnel that will be assigned to the City account.
2. Provide a sample Loss Prevention Inspection report in the format and with the depth and breadth that the City will receive.
3. Identify the entity that will conduct Boiler & Machinery Inspections and provide detail with regard to the history and service structure of the entity. Indicate the location of the entity's office and provide summary resume(s) of key Boiler & Machinery Inspection personnel that will be assigned to the City account.
4. Briefly describe Proposer's plan of action for required Property Valuation Appraisal services, including, but not limited to, the breadth of proposed appraisal services to be provided (onsite, desktop, etc.), the number of property valuation appraisals to be provided annually, and strategy used to identify and prioritize which properties will be appraised.

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5. Identify the entity that will conduct Property Valuation Appraisal services and provide detail with regard to the history and service structure of the entity. Indicate the location of the entity's office and provide summary resume(s) of key Property Valuation Appraisal personnel that will be assigned to the City account.
6. Provide a sample Property Valuation Appraisal report in the format and with the depth and breadth that the City will receive.
7. Identify the entity that will conduct Plan Review Services and provide detail with regard to the history and service structure of the entity. Indicate the location of the entity's office and provide summary resume(s) of key Plan Review personnel that will be assigned to the City account.
8. Provide a sample Plan Review report in the format and with the depth and breadth that City will receive.
9. If there are other property risk control or risk assessment services available to the City, please describe these services and provide general costs, if any, that would be associated with them.

E. Part V – Premiums Proposed:

1. Historically the City has experienced 3-5% value growth annually. The proposal also provides details regarding two large City construction projects which will complete over the next several years. Given the expected growth and expansion details, with all other underwriting details being equal, what annual projection can you provide with regard to the percentage increase in the premium that the City might expect annually?
2. Is the carrier providing a formal "No Claims Bonus on Renewal"? If so, please provide specific details as to the application of the bonus, how it is calculated, and if it is guaranteed or not throughout the contract renewal terms of this procurement.

F. Part VI - Place all required City forms except Attachment N: 0610 Property Proposal Sheet in this section.

G. Part VII - Non-Collusion, Non-Conflict of Interest, and Anti-Lobbying:

- i. Proposers, including their officers, owners, agents, representatives, subconsultants, employees, or parties in interest:
 - (1) shall not in any way collude, conspire or agree, directly or indirectly, with any person, firm, corporation or other Proposer or potential Proposer in regard to the amount of their proposal or the terms or conditions of their proposal.
 - (2) shall not pay, or agree to pay, directly or indirectly any person, firm, corporation or other Proposer or potential Proposer, any money or anything of value in return for assistance in procuring or attempting to procure a contract or in return for fixing the prices in the proposal or the proposal of any other Proposer. Proposers shall not pay money or anything of value in the future for these purposes.
 - (3) shall certify that none of the deciding factors set forth in the request for proposal or in the subsequent agreement were their idea or the idea of anyone representing their company, unless the suggestion was made at a meeting open to all Proposers, which all Proposers had notice of.
 - (4) must attest that they had no involvement in the development, preparation, evaluation, or other decision making process for this solicitation, and that should the Proposer receive a contract award in response to their proposal, no agent, representative, consultant or subconsultant affiliated with the Proposer, who may have been involved in the development, preparation or evaluation or other decision making process for this solicitation, will have any financial interest, direct or indirect, in said contract.

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- (5) must state that there are no other potential or actual conflicts of interest regarding this solicitation.
- (6) shall certify that no officer or stockholder of their company is an employee of the City of Austin, or an employee of any elected official of the City, or is related to any employee or elected official of the City of Austin.
- (7) shall not have undertaken or will not undertake any activities or actions to promote or advertise their proposal to any member of any City Commission reviewing the proposals, member of the Austin City Council or City staff except in the course of City-sponsored inquiries, briefings, interviews or presentations between the date that the Request for Proposal was issued and the date of award by City Council.
- ii. Proposers shall sign and return with their proposal, the affidavit of Non-Collusion, Non-Conflict of Interest, and Anti-Lobbying located in Section 0805 herein.

H. **Part VIII - Proposal Acceptance Period:** All proposals are valid for a period of one hundred and twenty (180) calendar days subsequent to the RFP closing date unless a longer acceptance period is offered in the proposal

I. **Part IX - Proprietary Information:** All material submitted to the City becomes public property and is subject to the Texas Open Records Act upon receipt. If a Proposer does not desire proprietary information in the proposal to be disclosed, each page must be identified and marked proprietary at time of submittal. The City will, to the extent allowed by law, endeavor to protect such information from disclosure. The final decision as to what information must be disclosed, however, lies with the Texas Attorney General. Failure to identify proprietary information will result in all unmarked sections being deemed non-proprietary and available upon public request.

J. **Part X - Authorized Negotiator:** Include name, address, and telephone number of person in your organization authorized to negotiate contract terms and render binding decisions on contract matters.

2. **EXCEPTIONS:**

Be advised that exceptions to any portion of the Solicitation may jeopardize acceptance of the proposal.

3. **PROPOSAL PREPARATION COSTS:**

All costs directly or indirectly related to preparation of a response to the RFP or any oral presentation required to supplement and/or clarify a proposal which may be required by the City shall be the sole responsibility of the Proposer.

4. **EVALUATION FACTORS AND AWARD**

A. **Competitive Selection:** This procurement will comply with applicable City of Austin Policy. The successful Proposer will be selected by the City on a rational basis. Evaluation factors outlined in Paragraph B below shall be applied to all eligible, responsive Proposers in comparing proposals and selecting the successful Proposer. Award of a contract may be made without discussion with Proposers after proposals are received. Proposals should, therefore, be submitted on the most favorable terms.

**CITY OF AUSTIN
PURCHASING OFFICE
PROPOSAL PREPARATION INSTRUCTIONS AND EVALUATION FACTORS
SOLICITATION NUMBER: RFP TVN0060**

B. Evaluation Factors:

i. 100 points total

Premiums and Fees Proposed. Proposed Contractor Fees outlined in Attachment N: 0610 Property Proposal Sheet. **30 Points**

Coverage Provisions, Limits and Sublimits, Deductibles and Restrictions. Depth and scope of coverage provisions and limits provided and number and amount of restrictions impacting coverage. **25 Points**

Ancillary Risk Management Services/Expertise. Complexity and thoroughness of proposed service plans, scope and breadth of proposed assessments, experience of personnel conducting assessments, and scope and breadth of reports provided to the City. **20 Points**

Proposer Qualifications. Including financial strength of the carrier, carrier expertise at underwriting large municipal exposures, organizational and service structure of carrier(s) and Proposer, and key personnel's experience with analogous accounts. **15 Points**

Claims Handling Processes/Expertise. Including claim handling procedures, claim adjusting expertise, claims advocacy expertise, and claims adjusting philosophy. **10 Points**

- ii. Interviews/Presentations:** The City will score proposals on the basis of the criteria listed above. The City may select a "short list" of Proposers based on those scores. "Short-listed" Proposers may be invited for interviews with the City. The City reserves the right to re-score "short-listed" proposals as a result of the interviews and to make award recommendations on that basis.

Section 0605: Local Business Presence Identification

A firm (Offeror or Subcontractor) is considered to have a Local Business Presence if the firm is headquartered in the Austin Corporate City Limits, or has a branch office located in the Austin Corporate City Limits in operation for the last five (5) years, currently employs residents of the City of Austin, Texas, and will use employees that reside in the City of Austin, Texas, to support this Contract. The City defines headquarters as the administrative center where most of the important functions and full responsibility for managing and coordinating the business activities of the firm are located. The City defines branch office as a smaller, remotely located office that is separate from a firm's headquarters that offers the services requested and required under this solicitation.

OFFEROR MUST SUBMIT THE FOLLOWING INFORMATION FOR EACH LOCAL BUSINESS (INCLUDING THE OFFEROR, IF APPLICABLE) TO BE CONSIDERED FOR LOCAL PRESENCE.

NOTE: ALL FIRMS MUST BE IDENTIFIED ON THE MBE/WBE COMPLIANCE PLAN OR NO GOALS UTILIZATION PLAN (REFERENCE SECTION 0900).

USE ADDITIONAL PAGES AS NECESSARY

OFFEROR:

Name of Local Firm		
Physical Address		
Is your headquarters located in the Corporate City Limits? (circle one)	Yes	No
or		
Has your branch office been located in the Corporate City Limits for the last 5 years?		
Will your business be providing additional economic development opportunities created by the contract award? (e.g., hiring, or employing residents of the City of Austin or increasing tax revenue?)	Yes	No

SUBCONTRACTOR(S):

Name of Local Firm		
Physical Address		
Is your headquarters located in the Corporate City Limits? (circle one)	Yes	No
or		
Has your branch office been located in the Corporate City Limits for the last 5 years	Yes	No

Will your business be providing additional economic development opportunities created by the contract award? (e.g., hiring, or employing residents of the City of Austin or increasing tax revenue?)	Yes	No

SUBCONTRACTOR(S):

Name of Local Firm		
Physical Address		
Is your headquarters located in the Corporate City Limits? (circle one)	Yes	No
or		
Has your branch office been located in the Corporate City Limits for the last 5 years	Yes	No
Will your business be providing additional economic development opportunities created by the contract award? (e.g., hiring, or employing residents of the City of Austin or increasing tax revenue?)	Yes	No

Section 0835: Non-Resident Bidder Provisions

Company Name _____

- A. Bidder must answer the following questions in accordance with Vernon's Texas Statutes and Codes Annotated Government Code 2252.002, as amended:

Is the Bidder that is making and submitting this Bid a "Resident Bidder" or a "non-resident Bidder"?

Answer: _____

- (1) Texas Resident Bidder- A Bidder whose principle place of business is in Texas and includes a Contractor whose ultimate parent company or majority owner has its principal place of business in Texas.
(2) Nonresident Bidder- A Bidder who is not a Texas Resident Bidder.

- B. If the Bidder is a "Nonresident Bidder" does the state, in which the Nonresident Bidder's principal place of business is located, have a law requiring a Nonresident Bidder of that state to bid a certain amount or percentage under the Bid of a Resident Bidder of that state in order for the nonresident Bidder of that state to be awarded a Contract on such bid in said state?

Answer: _____ Which State: _____

- C. If the answer to Question B is "yes", then what amount or percentage must a Texas Resident Bidder bid under the bid price of a Resident Bidder of that state in order to be awarded a Contract on such bid in said state?

Answer: _____

Section 0900: Minority- and Women-Owned Business Enterprise (MBE/WBE) Procurement Program No Goals Form

SOLICITATION NUMBER:	TVN0060
PROJECT NAME:	City of Austin Property Insurance

The City of Austin has determined that no goals are appropriate for this project. Even though goals were not assigned for this solicitation, the Bidder/Proposer is required to comply with the City's MBE/WBE Procurement Program, if areas of subcontracting are identified.

If any service is needed to perform the Contract and the Bidder/Proposer does not perform the service with its own workforce or if supplies or materials are required and the Bidder/Proposer does not have the supplies or materials in its inventory, the Bidder/Proposer shall contact the Small and Minority Business Resources Department (SMBR) at (512) 974-7600 to obtain a list of MBE and WBE firms available to perform the service or provide the supplies or materials. The Bidder/Proposer must also make a Good Faith Effort to use available MBE and WBE firms. Good Faith Efforts include but are not limited to contacting the listed MBE and WBE firms to solicit their interest in performing on the Contract, using MBE and WBE firms that have shown an interest, meet qualifications, and are competitive in the market; and documenting the results of the contacts.

Will subcontractors or sub-consultants or suppliers be used to perform portions of this Contract?

No _____ **If no, please sign the No Goals Form and submit it with your Bid/Proposal in a sealed envelope**

Yes _____ **If yes, please contact SMBR to obtain further instructions and an availability list and perform Good Faith Efforts. Complete and submit the No Goals Form and the No Goals Utilization Plan with your Bid/Proposal in a sealed envelope.**

After Contract award, if your firm subcontracts any portion of the Contract, it is a requirement to complete Good Faith Efforts and the No Goals Utilization Plan, listing any subcontractor, sub-consultant, or supplier. Return the completed Plan to the Project Manager or the Contract Manager.

I understand that even though goals were not assigned, I must comply with the City's MBE/WBE Procurement Program if subcontracting areas are identified. I agree that this No Goals Form and No Goals Utilization Plan shall become a part of my Contract with the City of Austin.	
_____ Company Name	
_____ Name and Title of Authorized Representative (Print or Type)	
_____ Signature	_____ Date

Minority- and Women-Owned Business Enterprise (MBE/WBE) Procurement Program No Goals Utilization Plan
(Please duplicate as needed)

SOLICITATION NUMBER:	TVN0060
PROJECT NAME:	City of Austin Property Insurance

PRIME CONTRACTOR / CONSULTANT COMPANY INFORMATION

Name of Contractor/Consultant			
Address			
City, State Zip			
Phone Number		Fax Number	
Name of Contact Person			
Is Company City certified?	Yes <input type="checkbox"/> No <input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> MBE/WBE Joint Venture <input type="checkbox"/>		

I certify that the information included in this No Goals Utilization Plan is true and complete to the best of my knowledge and belief. I further understand and agree that the information in this document shall become part of my Contract with the City of Austin.

Name and Title of Authorized Representative (Print or Type)

Signature

Date

Provide a list of all proposed subcontractors / sub-consultants / suppliers that will be used in the performance of this Contract.
Attach Good Faith Effort documentation if non MBE/WBE firms will be used.

Sub-Contractor / Sub-Consultant			
City of Austin Certified	MBE <input type="checkbox"/> WBE <input type="checkbox"/> Ethics / Gender Code: <input type="checkbox"/> Non-Certified		
Vendor ID Code			
Contact Person		Phone Number	
Amount of Subcontract	\$		
List commodity codes & description of services			

Sub-Contractor / Sub-Consultant			
City of Austin Certified	MBE <input type="checkbox"/> WBE <input type="checkbox"/> Ethics / Gender Code: <input type="checkbox"/> Non-Certified		
Vendor ID Code			
Contact Person		Phone Number	
Amount of Subcontract	\$		
List commodity codes & description of services			

FOR SMALL AND MINORITY BUSINESS RESOURCES DEPARTMENT USE ONLY:	
Having reviewed this plan, I acknowledge that the proposer (HAS) or (HAS NOT) complied with City Code Chapter 2-9A/B/C/D, as amended.	
Reviewing Counselor _____ Date _____	Director/Deputy Director _____ Date _____

Proposal

City of Austin, Texas

May 24, 2016



Executive Summary

We, at FM Global, are pleased to present this proposal of loss control services and property insurance for City of Austin, Texas programs. We believe City of Austin, Texas and FM Global share in a strong commitment to loss control and look forward to a long-term and positive relationship.

FM Global's goal is to provide tailored terms and conditions that fit City of Austin, Texas' needs, with superior financial strength. This proposal is based on the information and guidelines you have shared with us and FM Global's analysis of City of Austin, Texas' exposures.

In summary, FM Global's proposal provides the following advantages to assist City of Austin, Texas in managing and protecting your assets today and the future.

- 100% Admitted Coverage
- Provides stability through superior financial strength (A+ Superior, AA Very Strong)
- FM Global – TE Select – 2016 Policy Form
- Majority of terms and conditions meet or exceed RFP (TVN0060) request
- Highlights of improved terms:
 - Policy Limit option of \$2,000,000,000
 - Time Element Coverage Enhancements
 - TE Select Gross Earning / Gross Profit - \$200,000,000 (applies to all Division of the City of Austin)
 - Service Interruption
 - \$100,000,000 SI Limit applies to Time Element
 - Automatic Coverage – Policy Limit
 - Law & Ordinance – Policy Limit
 - Miscellaneous Property limit of \$25,000,000 per location
 - Expediting Cost / Extra Expense of \$50,000,000
 - Cyber Coverage provided within Policy
 - Communicable Disease – limit of \$1,000,000
 - Improved Flood Deductibles
- Option provided for increasing the Flood Limit for locations exposed to 100 yr events to \$50,000,000
- Multi-Year Policy Agreement – 3 Years (terms & conditions and rate is guaranteed)
- Tailored Loss Control Engineering Services
- Consistent Pricing
 - Our business model of focusing on the risk and helping our insureds reduce the exposure to their businesses, helps us provide stable pricing even during the difficult times (September 11th terrorist attacks, the hurricane seasons, and financial crises-2008/09, 2010/2011 NAT CAT events).
- Contract Certainty
 - The attached Proposal Policy is the actual contract this proposal document references.

Industry Awards & Recognition



Please review the attached proposal and contact us with questions, comments, or concerns.

Summary of Our Business Philosophy

FM Global operates under a simple concept: reduce the overall cost of property risk to our client owners. Our business philosophy is how we best achieve this. The following outlines main principles under which we operate.

1. **Long Term Relationships:** Reducing risk is a long term process, one that takes many years to achieve. We enter all relationships based upon a commitment on the part of both parties to work together over the long term.
2. **Win-Win Relationships:** To be successful over a long period of time, the business agreement between us and our Clients must be fair and equally beneficial to both parties.
3. **Stability of Product:** We minimize our dependence on the reinsurance marketplace and maximize the use of our own capacity. This maximizes our stability in the marketplace.
4. **HPR Underwriting:** A Highly Protected Risk (company or location) is one we are confident will have fewer and less severe losses over time. The premiums these good risks pay should not have to support the poor risks. Thus, we insure only companies which share in our HPR philosophy.
5. **Location Underwriting:** We underwrite an account on a location by location basis. The risk for each location is analyzed and evaluated individually. We provide insurance capacity on a location by location basis. We are not commodity or portfolio underwriters, which is simply guessing at risk quality and gambling on possible losses.
6. **Engineering is tied to Underwriting:** We bet on our engineering. If our engineering tells us a risk is good, we commit a huge amount of insurance capacity to that risk.
7. **Directed by our Owners:** Our Clients are our owners who direct our actions. We listen to our customers, and do our best to provide technical and insurance solutions to the benefit of the whole mutual group.
8. **Prevent Losses:** Through superior loss prevention engineering technology, we have proven it is cost effective to our Clients, over the long term, to prevent and reduce losses rather than to accept them as inevitable.



More than the sum of its parts

At FM Global, Engineering, Underwriting, and Claims are inseparable, which is why their combination produces more than the sum of its parts. The benefits of this synergy accrue to our client owners.

Financial Strength and Business Model

Financial Strength and Stability

FM Global has assets of over approximately USD\$11 billion and policyholders' surplus of \$11 billion. In-force premium on December 31, 2015 was \$5.5 billion.

A mutual company with a very strong balance sheet, FM Global's ability to provide stable capacity and meet its obligations to policyholders has been confirmed by major industry rating agencies, principally:

- ◆ 2016, Insurance ratings company A.M. Best has affirmed FM Global's A+ (Superior) financial performance rating and "stable" rating outlook, citing that "business property insurer FM Global continues to be a market leader in the commercial property market."
- ◆ 2016, Fitch affirmed FM Global's financial strength rating of 'AA' (Very Strong), citing FM Global's "strong capital and long-term strong underwriting profitability, competitive advantages derived from the company's engineering expertise and benefits drawn from the company's mutual company status."
- ◆ 2016, Standard & Poor's (S&P's) Rating Services has awarded FM Global a financial strength and counterparty credit rating of A+ with a stable outlook. According to S&P, the rating reflects its view of FM Global's "very strong business risk profile and strong financial risk profile based on the company's market-leading competitive position in the large commercial property segment and extremely strong capital and earnings."

Membership Credits

FM Global has given its policyholders nine membership credits since 2001. FM Global collectively has distributed nearly \$3.4 billion in membership credit to our policyholders.

"FM Global clients, who are our owners, have really embraced the powerful concept that the majority of all loss is preventable and, as a result, have proactively and effectively been managing their property exposures and reducing such risks over time," said Tom Lawson, FM Global President and Chief Executive Officer. "One of the benefits of being a mutual insurance company with a unique business model is that we can provide clients a premium credit that shares our favorable operating performance and acknowledges their loyalty to FM Global."

Our Belief: The Majority of Loss Is Preventable

Applying science, experience and engineering, we deliver on this belief with innovative, cost effective property risk management solutions. With an understanding of risk, we will provide City of Austin, Texas with the best available loss prevention advice so that you can make the most informed property risk management decisions.

FM Global Services – No Additional Charges

FM Global, through our worldwide Factory Mutual organization, provides significant risk management & business continuity services for insured customers. All FM Global services are reserved exclusively for the use of Factory Mutual Insurance Company policyholders. A brief description of these services is listed below. Please also note these services are provided to FM policyholders at no additional charge.

I. FM Global Engineering

Onsite Engineering Review

All major locations are visited on an as agreed upon basis for both Fire, Natural Hazards and Equipment Hazards. FM Global has over 1800 field engineers around the world. We are able to respond effectively and promptly to our insured's needs no matter where in the world they might be.

Loss prevention engineers make regular scheduled site visits to review all conditions affecting the fire safety of the facility. This includes evaluating construction, fire separation, fire cutoffs, occupancy hazards, ignitable liquid hazards, warehouse storage hazards, details of protection, adequacy of automatic sprinkler protection, reliability and volume of fire protection water supplies, status of human element programs and many other facets of loss prevention and control. A report is provided for management, which includes recommended solutions to reduce and/or mitigate the exposures.

FM Global engineers also review natural catastrophe exposures, such as Flood / Storm Water, Windstorm, Hail, Earthquake and Snow Loading. Through our research and development, our engineers are able to review the construction of your facility and make practical solutions to help prevent severe loss due to natural catastrophe exposures.

Engineers also visit routinely to review condition of important and critical equipment, for statutory requirements for internal inspection of pressure vessels, to review preventive maintenance programs, review management of spare parts for critical equipment, and to investigate losses.

In addition, special visits are made for a variety of reasons, such as to review new or proposed projects, a change in occupancy, provide on-site training, provide advice during impairments to fire protection systems, and of course, investigate losses.

Account Engineering Review

The FM Global Account Engineer, Beth Nowacki, coordinates and orchestrates the loss control activity of FM Global, to provide customers with cost effective, practical solutions to loss prevention problems on a worldwide basis from the standpoint of Fire, Natural Hazards and Equipment Hazards.

Beth analyzes all loss prevention reports in order to develop cost benefit analysis and prioritization of risks. Our account engineers can provide loss scenarios, loss history and detailed cost benefit analysis. By working with our insured's corporate and local management, we are able to include physical and business continuity solutions along with the above information in order for our insured's to make the best business decisions about their risk mitigation strategies.

Annually, the client service team will put together an Executive Summary/Stewardship of the account as well as meet to discuss a comprehensive account management business planning process for the year ahead. As part of this summary they can provide Benchmarking tools to show you where you are in relationship to the rest of the industry. They will also assist you in the development of corporate standards and training needs.

Plan Review/Project Management and Review

FM Global also provides project management and review services. These start with sitting down with the insured in the conceptual stages of a project and following it through the course of plan review, construction reviews, and final acceptance testing. FM Global engineers consult with the customer's project engineers, managers, architects, consultant engineers and contractors on all significant projects or changes. This is to ensure that all applicable loss prevention standards are properly considered and that customer's facilities are protected in accordance with industry accepted standards.

An FM Global project engineer would be assigned to all major projects. They would confer frequently with the important participants, secure timely submittal of preliminary and working drawings with comments and any recommendations. Site visits would be scheduled as needed to review the status of the project, conduct acceptance testing of automatic sprinkler/fire pump installations and various facets of the construction details.

Due Diligence Services

New, proposed sites and acquisitions can be visited to determine if the prospective location has adequate fire protection, equipment safeguards, or is in accordance with accepted standards, prior to purchase or occupancy. Engineers will review the sites for natural catastrophe exposures, such as flood, quake, wind and snow. They will also provide upfront standards and advice to help in budgeting improvements that may be needed to protect these proposed sites or facilities.

Training Resources

The FM Global Training Resource Center conducts regularly scheduled and customized training programs on a variety of topics relating to property loss control. We can tailor any of these programs as well as develop on-site training programs to meet your property loss control needs.

“Example, FM Global can provide online webinars, podcasts, pamphlets, catalogs, etc. to discuss exposures, mitigation techniques, and how to create an emergency response plan (like for flood) for any type of natural hazard exposure.”

II. Factory Mutual Claims Handling

FM Global maintains a staff of professional, trained claims adjusters, which are experienced in handling large industrial losses worldwide. Our adjusters work in close contact with our Insured to assure equitable and prompt loss settlement. Additionally, we meet with our clients on a regular basis to determine any special circumstances, which might require clarification, so that we can outline to our Insured on how we would adjust a specific loss.

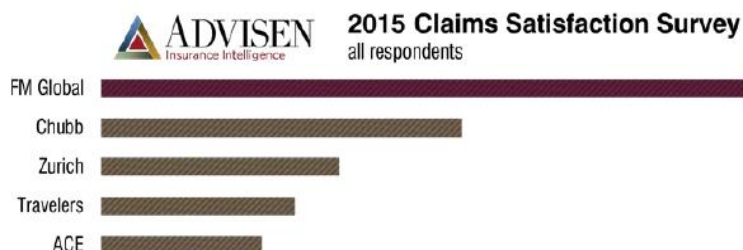
Essentially we can create a pre-loss scenario which will assist our Insured’s Risk Management in identifying exposures and analyzing the appropriate loss handling techniques. Annually, we provide policy holder workshops for our insured to help them in understanding how the property policy works, as well as interact with other risk managers in the area.

For City of Austin, Texas our claims services will be managed out of the Dallas Operations Office in Plano, TX.

The FM Global Difference: **Claims Response that Puts You Back in Business**

Prepare, Protect, Restore

- **Pre-Loss Claims Workshops and Policyholder Workshops:** We can create a pre-loss scenario which will assist the City of Austin Risk Management in identifying exposures and analyzing the appropriate loss handling techniques.
- **Authority to Act:** On-site FM Global adjusters with authority to make decisions and issue payments
- **Experts in Claims Adjustment:** Our experienced adjusters work in close contact with our Insured to assure equitable and prompt loss settlement.



FM Global's Value Added Engineering

At FM Global we are mindful that the strategies we pursue and decisions we make must ultimately be for the benefit of our mutual policyholders. Our aim is always to mobilize our range of value added services in support of mutually agreed objectives. We focus on Key Recommendations to help ensure property losses are either prevented or their effects are minimal.

FM Global's Goal - to work with City of Austin, Texas management in completing the identified risk mitigation hazards that will help protect City of Austin, Texas brand and business plans. This proposal is based on City of Austin, Texas & FM Global partnering and working together.

Insurance Proposal

This proposal is based on the FM Global Advantage – TE Select – US – 2016 policy form currently in use by the Company. The attached Proposal Policy describes the terms and conditions this proposal is based upon. Providing the Proposal Policy allows our policyholders the ability to review the actual contract before the effective date.

The attached Proposal Policy provides City of Austin, Texas the expanded Terrorism (Certified) option for US terrorism for the full policy limit. Please see Appendices for further details.

Outlined in the following pages is an overview comparison of coverages and deductibles; it is provided to facilitate an understanding of the insurance program proposal. Please refer to the actual Proposal Policy for specific terms and conditions, limitations, and exclusions.

Coverage Comparison*

Policy Coverage/Item	Current Coverage	FM Global* (100% FM Global)
Policy Limit	USD1,500,000,000	Options provided
Accidental Interruption of Services	Unknown	Policy limit
Accounts Receivable	USD25,000,000	Policy limit
Attraction Property	30 days, subject to a maximum of USD500,000	30 days
Automatic Coverage (Newly Acquired)	USD25,000,000	Policy limit (120 days)
Boiler and Machinery	USD1,500,000,000	Policy limit
Bridges (per schedule on file)	USD5,000,000	USD10,000,000
Cable Vision Equipment	Included	Included
Civil or Military Authority	30 days, subject to a maximum of USD10,000,000	30 days (consecutive)
Claims Preparation Cost	USD250,000	USD500,000
Communicable Disease Response	Not provided	USD1,000,000 Annual Agg
Computer Systems Non-Physical Damage/Data, Programs or Software	USD5,000,000	USD10,000,000 Combined
Contingent Time Element	USD1,000,000	USD25,000,000
Crisis Management	0 days, subject to a maximum of USD100,000	30 Days (consecutive)
Cyber Coverages -Data, Program or Software -Computer System Non-Physical Damage -Off Premises Data Services -Insured Property / Other than Data	Unknown Provided in Computer System Non-Physical Damage Unknown Unknown	USD10,000,000 combined Included, in Data, Program or Software limit USD5,000,000 Policy limit
Debris Removal	USD25,000,000 or 25% of direct physical loss or damage to all covered property , whichever is less	Policy Limit
Decontamination Cost	USD5,000,000	Policy limit
Demolition and Increased Cost of Construction	USD25,000,000	Policy limit (see Law & Ordinance)
Earth Movement, -High Hazard	USD100,000,000 Annual Agg; High Hazard Areas excluded	USD100,000,000 Annual Agg; High Hazard zones excluded
Errors & Omissions	USD25,000,000	USD100,000,000
Expediting Cost/Extra Expense	USD1,000,000/ USD50,000,000	USD50,000,000
Extended Period of Liability	45 Days	90 Days
Fines or penalties for breach of contract or for late or noncompletion of orders	Unknown	USD100,000 Combined

Coverage Comparison*

Policy Coverage/Item	Current Coverage	FM Global* (100% FM Global)
Fine Arts	USD25,000,000	USD25,000,000, not to exceed USD10,000 per item not scheduled
Flood, except:	USD100,000,000 Annual Agg	USD100,000,000 Annual Agg
Flood, as respects locations within a Special Flood Hazard Area (SFHA)	USD25,000,000 Annual Agg	USD25,000,000 Annual Agg, per Policy Appendix A locations
-500 yr	Included in USD100,000,000 Annual Agg limit	Included in USD100,000,000 Annual Agg limit
Gross Earnings	USD5,000,000	USD200,000,000
-Aviation Department	USD50,000,000	Included
-Convention Center Department	USD10,000,000	Included
-Water Department	USD10,000,000	Included
-All other departments combined	USD5,000,000	Included
Gross Profit (12 months)	Not provided	USD200,000,000
-Aviation Department		Included
-Convention Center Department		Included
-Water Department		Included
-All other departments combined		Included
Ingress/Egress	30 days, subject to a maximum of USD10,000,000	30 days
Interruption by Communicable Disease	Not provided	12 month period, but not to exceed USD1,000,000 Annual Agg
Land and Water Contaminant Cleanup, Removal and Disposal (Pollutant Cleanup & Removal)	USD5,000,000	USD2,500,000 Annual Agg
Law and Ordinance	See DICC (USD25,000,000)	Policy limit
Leasehold Interest	USD1,500,000,000	Policy limit
Logistics Extra Cost	Not provided	180 day period
Miscellaneous Property	USD25,000,000 per occurrence	USD25,000,000 per location except, USD10,000,000 for property not at location
Named Storm Wind	USD1,500,000,000 Annual Agg	Policy Limit
Off Premises Data Service	Unknown	USD5,000,000 combined PD & TE
Ordinary Payroll	Not provided	Included
Protection & Preservation of Property	USD???	Policy Limit – 48 hours prior and 48 hours after

Coverage Comparison*

Policy Coverage/Item	Current Coverage	FM Global* (100% FM Global)
Rental Insurance	Not provided	Included
Service Interruption		USD100,000,000
-Property Damage	USD1,500,000,000	Included
-Time Element		
-Aviation Department	USD50,000,000	Included
-Convention Center Department	USD10,000,000	Included
-Water Department	USD10,000,000	Included
-All other departments combined	USD5,000,000	Included
Soft Costs	Not provided	Policy limit
Terrorism	Policy limit	Certified – policy limit option provided
Transportation	USD5,000,000	USD10,000,000
Valuable Papers and Records	USD25,000,000	USD25,000,000, but not to exceed USD10,000 per item not scheduled
Vehicles	USD25,000,000 per vehicle USD25,000,000 per occurrence	USD25,000,000

Coverage Comparison*

Waiting Periods:	Current Coverage	FM Global* (100% FM Global)
Service Interruption PD / TE	24 Hours	24 Hours

Coverage Comparison*

Deductibles:	Current Coverage	FM Global* (100% FM Global)
Property Damage/Time Element Combined (All Other Loss), except:	USD50,000 combined	USD50,000 combined
Flood	USD100,000 combined, except:	USD100,000 combined except:
- High Hazard	See below:	USD500,000 combined all coverages, per location for locations in Policy, Appendix B
-Location within a Special Flood Hazard (SFHA)	USD500,000 per Building, USD500,000 per Building's Contents, and USD50,000 Time Element	\$100,000, combined all coverages, per location for locations in Policy, Appendix D (NFIP purchased locations)
-Per location, for these locations:	3% of Total Insurance Value at each location, subject to a minimum USD2,500,000	
a. Walnut Creek Waste Water Treatment Plant, 7113 FM 969		
b. Waller Creek Center and Garage, 625 E 10 th St		
c. Police Headquarters, 715 E 8 th St.		
d. Patrol Building, 715 E 8 th St.		
e. Parking Facilities, 715 E 7 th St.		
-Water Treatment Facilities	USD1,000,000 except: USD500,000 per location for Water Treatment Facilities with reported Total Insurance Value equal to or less than USD6,000,000; USD50,000 per location, USD500,000 aggregate per occurrence for Lift Stations with reported Total Insurance Value equal to or less than USD500,000	
Logistics Extra Cost	Not provided	USD50,000
Wind / Hail	USD100,000 combined	USD100,000 combined
Fine Arts	USD2,500 per occurrence	USD2,500 per occurrence
Cable Vision Equipment	USD1,000 per occurrence	USD1,000 per occurrence
Transportation	Policy Deductible	Policy Deductible

* This is a summary of coverage/deductible comparison only, and is provided to facilitate understanding of the insurance program. Please refer to the draft Proposal Policy for specific terms and conditions, limitations, and exclusions.

Special Condition's*:

- ◆ Signed Terrorism Disclosure Notice required prior to binding.
- ◆ Hundred twenty (120) days notice of cancellation provided.
- ◆ Only Austin Energy “office” facilities on file are covered within policy. All other locations are excluded for Austin Energy Department.
- ◆ 5% premium clause – “if any transaction effective between the anniversary dates of the Policy results in a new increase or decrease of less than 5% of the total annual premium of this Policy, such premium change will be effective at the next policy anniversary date and will be included with the next anniversary invoicing for this Policy.”
- ◆ Multi-Year Policy Agreement – 3 Years – (terms & conditions and rate is guaranteed)
 - If FM Global does not offer a membership credit within the 3 year agreement, then on the last anniversary date a 5% premium credit will be provided against the premium on file 90 days prior to October 1, 2018 renewal. This is regardless of claim experience.

***Please refer to the draft proposal policy for specific terms and conditions, limitations, and exclusions to apply.**

Premium Summary 10/1/2016 – 10/1/2017

Option A:

Net Premium:

Deductibles:

Annual Premium:

USD750,000,000 Policy Limit
 Loss Prevention Engineering Services
 Boiler and Machinery
 Jurisdictional Inspections
 Claims Handling

USD2,400,000**
 Included
 Included
 Included
 Included

See Proposal Policy

**Per TIV of USD5,407,362,212

Option B:

Increase policy limit to \$2,000,000,000

USD252,000**

See Proposal policy

Option C:

Increase 100 yr Flood limit: \$25,000,000 x's
 \$25,000,000 (primary)

USD412,000**

See Proposal policy

Terrorism Option:

Certified Terrorism US

USD98,200

Terrorism Option is outlined in detail in the Terrorism section of presented Proposal

Payment is due upon receipt of invoice or on the date coverage begins, whichever is later.

Policies will be subject to cancellation for non-payment of premium bills.

Premium does not include various fees, taxes, or surcharges.

Appendix A- US Terrorism Option- Policy Limit

The Terrorism Risk Insurance Act of 2002 as amended and extended in 2005, 2007 and again in 2015, requires that insurers advise clients, prior to the renewal date of their current policy of their option to elect or reject terrorism coverage under the act as part of their property renewal policy. It also requires insurers to disclose the cost of such coverage for the policy term. As a brief reminder, the act provides licensed, admitted carriers with a substantial federal reinsurance backstop for terrorism acts that are certified by the Secretary of the Treasury of the United States as covered events (known as certified losses). Generally speaking, the act responds strictly to events that take place within the United States, its protectorates, territories, and possessions. The Act has been extended to expire on 31 December 2020.

Pursuant to the act, we are offering certified terrorism cover in the United States with no specific terrorism limit of liability meaning your certified terrorism limit would be equal to the policy limit of liability or any location or coverage sublimits being proposed. In addition, in the United States, we are offering no terrorism sublimit for Flood, Miscellaneous Unnamed Locations, Miscellaneous Personal Property, Off Premises Storage For Property Under Construction, and Temporary Removal of Property and would not be subject to any terrorism exclusion for Service Interruption, Contingent Time Element Extended, Protection And Preservation of Property, Ingress/Egress, Logistics Extra Cost, Extended Period of Liability, Crisis Management and Attraction Property coverages.

The premium for certified coverage is USD98,200 for the term of October 1, 2016 to October 1, 2017. This premium corresponds with the annual premium stated on the Disclosure Notice of Terrorism Coverage and does not include applicable taxes or surcharges.

Attached is the Policyholder Disclosure Notice of Terrorism Coverage document and the applicable certified terrorism endorsement. Please note the following important conditions that require your action:

The Disclosure form must be completed, signed and returned to Roger Housel prior to the renewal policy effective date of October 1, 2016, indicating your choice to accept or reject certified coverage as part of your renewal policy.

Appendix B- United States Terrorism Disclosure Notice

POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

Insured Name: **City of Austin, Texas**

Account Number: **56101**

Insurer Name: Factory Mutual Insurance Company

Date: **October 1, 2016**

The Terrorism Risk Insurance Act of 2002, as amended and extended in 2005, 2007 and again in 2015, gives you the right as part of your property renewal policy to elect or reject insurance coverage for locations within the United States or any territory or possession of the United States for losses arising out of acts of terrorism, as defined and certified in accordance with the provisions of the act.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. UNDER THIS FORMULA, THE UNITED STATES GOVERNMENT GENERALLY PAYS 85% (AND BEGINNING ON JANUARY 1, 2016, SHALL THEN DECREASE BY 1 PERCENTAGE POINT PER CALENDAR YEAR UNTIL EQUAL TO 80 PERCENT) OF COVERED TERRORISM LOSSES EXCEEDING A STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURER REFERENCED ABOVE. **ALSO, THERE IS A \$100,000,000,000 CAP ON THE FEDERAL AND INSURER SHARE OF LIABILITY STATING THAT IF THE AGGREGATE INSURED LOSSES EXCEED \$100,000,000,000 DURING ANY CALENDAR YEAR, NEITHER THE UNITED STATES GOVERNMENT NOR ANY INSURER THAT HAS MET ITS INSURER DEDUCTIBLE SHALL MAKE PAYMENT OR BE LIABLE FOR ANY PORTION OF THE AMOUNT OF SUCH LOSSES THAT EXCEED \$100,000,000,000.** THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

ACCEPTANCE OR REJECTION OF TERRORISM INSURANCE COVERAGE: UNDER FEDERAL LAW, YOU HAVE THE RIGHT TO ACCEPT OR REJECT THIS OFFER OF COVERAGE FOR TERRORIST ACTS COVERED BY THE ACT AS PART OF YOUR RENEWAL POLICY. IF WE DO NOT RECEIVE THIS SIGNED DISCLOSURE FORM PRIOR TO THE RENEWAL POLICY EFFECTIVE DATE OF October 1, 2016, THEN YOUR RENEWAL POLICY WILL REFLECT YOUR DECISION NOT TO PURCHASE THE TERRORISM COVERAGE PROVIDED BY THE ACT.

_____ I hereby elect to purchase coverage for terrorist acts covered by the act for an annual premium of **USD98,200**.
This premium does not include applicable taxes or surcharges.

_____ I hereby decline this offer of coverage for terrorist acts covered by the act.

Policyholder/Applicant Signature

Print Name

Date

FM Global Financial Fact Sheet

- ♦ **FM Global is a mutual insurance company with a very strong balance sheet and no debt. It is a company with a “Business Model Built for Volatility.”**

FM Global is a 181 year old property insurance specialist and is the world’s leading insurer of industrial, commercial, and institutional properties. Known for consistent, global application of substantial property insurance capacity, FM Global’s highly select clientele includes 35% of the Fortune 500.

FM Global employs a knowledge-based business model based on a thorough understanding of their clients’ business and exposure to insured losses. Its engineering protocol includes periodic inspections and continuous provision of loss prevention advice at every major insured location. A disciplined, highly selective underwriting model favors clients having a high degree of interest in preventing and mitigating loss which leads to a portfolio that continually improves over time.

The strong affinity between FM Global’s engineering and underwriting protocols forms the foundation for highly efficient, highly stable risk transfer. As world leaders at risk identification, assessment and quantification, FM Global can responsibly expose capital while offering more substantial limits than industry peers who rely on actuarially based approaches.

Mutual ownership creates a unique alignment between insured and insurer. Unlike most other insurers, FM Global is governed by its policyholders and is not driven by external investors. Favorable results accrue to policyholders in the form of more capacity, broader coverage, terms and conditions, and periodic Membership Credits. Policies are non-assessable so downside risk to policyholders is minimal.

- ♦ **At December 31, 2015 FM Global Policyholders’ Surplus was \$11 billion.**

FM Global is well capitalized, conservatively leveraged, and maintains a strong liquidity position well suited to its business model. Unlike many of its peers, FM Global’s capital is entirely dedicated to short tail property insurance. FM Global has a proven track record for handling the underwriting and financial volatility inherent in the industry while maintaining (or expanding) its coverage and capacity commitment to its clients.

- ♦ **Treaty Reinsurance support is provided by the most financially secure reinsurers in the world monitored by a security committee comprised of senior officers of the Company that evaluates reinsurers’ solvency and claims paying ability using very stringent standards.**

FM Global’s knowledge of the underlying risk allows us to responsibly put more net capacity into play making us less dependent on outside reinsurance capacity when compared to many of our industry peers.

- ♦ **FM Global is rated A+ (Superior) by A.M. Best and AA (Very Strong) by Fitch – ratings unchanged in 2015.**

FM Global Client Service Team for the City of Austin

Dallas Operations Office:
Granite Park Two
5700 Granite Parkway, Suite 700
Plano TX 75024
Tel: 972 377 4808
Fax: 972 731 1800
www.fmglobal.com

To discuss property insurance related items or the overall servicing of City of Austin, please contact:

Roger Housel
Account Manager
Phone: 972-731-1694
Fax: 972-731-1800
roger.housel@fmglobal.com

To discuss engineering related items including discussions related to the prevention and mitigation of exposures to physical assets and revenue streams. Please contact:

Beth Nowacki
Account Engineer
Phone: 972-731-1607
Fax: 972-731-1800
beth.nowacki@fmglobal.com

To request certificates of insurance directly from FM Global please contact:

Kathy Wons
Client Processing Specialists
Phone: 972-731-1662
Fax: 972-731-1800
kathleen.wons@fmglobal.com

To report a loss, please contact:

Richard Judd
Operations Claims Manager
Dallas Operations
Toll Free 24 Hour Hotline: 1-877-New-Loss (639-5677)
Direct (normal business hours): 972-731-1879
richard.judd@fmglobal.com

The undersigned, by his/her signature, represents that he/she is submitting a binding offer and is authorized to bind the respondent to fully comply with the solicitation document contained herein. The Respondent, by submitting and signing below, acknowledges that he/she has received and read the entire document packet sections defined above including all documents incorporated by reference, and agrees to be bound by the terms therein.

Company Name: Factory Mutual Insurance Company

Company Address: 5700 Granite Parkway, Suite 700

City, State, Zip: Plano, TX 75024

Federal Tax ID No. [REDACTED]

Printed Name of Officer or Authorized Representative: Doug Patterson

Title: Operations Manager, Dallas Operations

Signature of Officer or Authorized Representative: 

Date: May 24, 2016

Email Address: douglas.patterson@fmglobal.com

Phone Number: 972-731-1614

*** Proposal response must be submitted with this Offer sheet to be considered for award**

The undersigned, by his/her signature, represents that he/she is submitting a binding offer and is authorized to bind the respondent to fully comply with the solicitation document contained herein. The Respondent, by submitting and signing below, acknowledges that he/she has received and read the entire document packet sections defined above including all documents incorporated by reference, and agrees to be bound by the terms therein.

Company Name: Factory Mutual Insurance Company

Company Address: 5700 Granite Parkway, Suite 700

City, State, Zip: Plano, TX 75024

Federal Tax ID No. [REDACTED]

Printed Name of Officer or Authorized Representative: Roger Housel

Title: Account Manager / Underwriter

Signature of Officer or Authorized Representative: 

Date: May 24, 2016

Email Address: roger.housel@fmglobal.com

Phone Number: 972-731-1694

*** Proposal response must be submitted with this Offer sheet to be considered for award**

Section 0835: Non-Resident Bidder Provisions

Company Name Factory Mutual Insurance Company (FM Global)

- A. Bidder must answer the following questions in accordance with Vernon's Texas Statutes and Codes Annotated Government Code 2252.002, as amended:

Is the Bidder that is making and submitting this Bid a "Resident Bidder" or a "non-resident Bidder"?

Answer: Non-resident Bidder

- (1) Texas Resident Bidder- A Bidder whose principle place of business is in Texas and includes a Contractor whose ultimate parent company or majority owner has its principal place of business in Texas.
(2) Nonresident Bidder- A Bidder who is not a Texas Resident Bidder.

- B. If the Bidder is a "Nonresident Bidder" does the state, in which the Nonresident Bidder's principal place of business is located, have a law requiring a Nonresident Bidder of that state to bid a certain amount or percentage under the Bid of a Resident Bidder of that state in order for the nonresident Bidder of that state to be awarded a Contract on such bid in said state?

Answer: NO Which State: _____

- C. If the answer to Question B is "yes", then what amount or percentage must a Texas Resident Bidder bid under the bid price of a Resident Bidder of that state in order to be awarded a Contract on such bid in said state?

Answer: DNA

Section 0900: Minority- and Women-Owned Business Enterprise (MBE/WBE) Procurement Program No Goals Form

SOLICITATION NUMBER: TVN0060

PROJECT NAME: City of Austin Property Insurance

The City of Austin has determined that no goals are appropriate for this project. Even though goals were not assigned for this solicitation, the Bidder/Proposer is required to comply with the City's MBE/WBE Procurement Program, if areas of subcontracting are identified.

If any service is needed to perform the Contract and the Bidder/Proposer does not perform the service with its own workforce or if supplies or materials are required and the Bidder/Proposer does not have the supplies or materials in its inventory, the Bidder/Proposer shall contact the Small and Minority Business Resources Department (SMBR) at (512) 974-7600 to obtain a list of MBE and WBE firms available to perform the service or provide the supplies or materials. The Bidder/Proposer must also make a Good Faith Effort to use available MBE and WBE firms. Good Faith Efforts include but are not limited to contacting the listed MBE and WBE firms to solicit their interest in performing on the Contract, using MBE and WBE firms that have shown an interest, meet qualifications, and are competitive in the market; and documenting the results of the contacts.

Will subcontractors or sub-consultants or suppliers be used to perform portions of this Contract?

No X If no, please sign the No Goals Form and submit it with your Bid/Proposal in a sealed envelope

If yes, please contact SMBR to obtain further instructions and an availability list and perform Good Faith Efforts. Complete and submit the No Goals Form and the No Goals Utilization Plan with your Bid/Proposal in a sealed envelope.

Yes _____

After Contract award, if your firm subcontracts any portion of the Contract, it is a requirement to complete Good Faith Efforts and the No Goals Utilization Plan, listing any subcontractor, sub-consultant, or supplier. Return the completed Plan to the Project Manager or the Contract Manager.

I understand that even though goals were not assigned, I must comply with the City's MBE/WBE Procurement Program if subcontracting areas are identified. I agree that this No Goals Form and No Goals Utilization Plan shall become a part of my Contract with the City of Austin.

Factory Mutual Insurance Company

Company Name

Doug Patterson, Operations Manager, Dallas Operations

Name and Title of Authorized Representative (Print or Type)



Signature

May 24, 2016

Date

Minority- and Women-Owned Business Enterprise (MBE/WBE) Procurement Program No Goals Utilization Plan
(Please duplicate as needed)

SOLICITATION NUMBER:	TVN0060
PROJECT NAME:	City of Austin Property Insurance

PRIME CONTRACTOR / CONSULTANT COMPANY INFORMATION

Name of Contractor/Consultant			
Address			
City, State Zip			
Phone Number		Fax Number	
Name of Contact Person			
Is Company City certified?	Yes <input type="checkbox"/> No <input type="checkbox"/> MBE <input type="checkbox"/> WBE <input type="checkbox"/> MBE/WBE Joint Venture <input type="checkbox"/>		

I certify that the information included in this No Goals Utilization Plan is true and complete to the best of my knowledge and belief. I further understand and agree that the information in this document shall become part of my Contract with the City of Austin.

Name and Title of Authorized Representative (Print or Type)

Signature

Date

Provide a list of all proposed subcontractors / sub-consultants / suppliers that will be used in the performance of this Contract.
Attach Good Faith Effort documentation if non MBE/WBE firms will be used.

Sub-Contractor / Sub-Consultant			
City of Austin Certified	MBE <input type="checkbox"/> WBE <input type="checkbox"/> Ethics / Gender Code: <input type="checkbox"/> Non-Certified		
Vendor ID Code			
Contact Person		Phone Number	
Amount of Subcontract	\$		
List commodity codes & description of services			

Sub-Contractor / Sub-Consultant			
City of Austin Certified	MBE <input type="checkbox"/> WBE <input type="checkbox"/> Ethics / Gender Code: <input type="checkbox"/> Non-Certified		
Vendor ID Code			
Contact Person		Phone Number	
Amount of Subcontract	\$		
List commodity codes & description of services			

FOR SMALL AND MINORITY BUSINESS RESOURCES DEPARTMENT USE ONLY:	
Having reviewed this plan, I acknowledge that the proposer (HAS) or (HAS NOT) complied with City Code Chapter 2-9A/B/C/D, as amended.	
Reviewing Counselor _____ Date _____	Director/Deputy Director _____ Date _____



**ADDENDUM
CITY OF AUSTIN, TEXAS**

Solicitation: RFP TVN0060

Addendum No: 1

Date of Addendum: April 12, 2016

This addendum is to incorporate the following changes to the above referenced solicitation:

- I. Clarifications:** Replace bid sheet Section 0600, Quote Sheet, Page 1 of 3, with the attached.

The Proposal Closing date was incorrectly stated. The correct Closing date is May 19, 2016

****Proposals will be accepted until 2:00 PM on May 19, 2016****

The solicitation's cover page has been updated to show the correct date and time.

- II. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.**

APPROVED BY: _____

Terry V. Nicholson, Sr. Buyer Specialist
Purchasing Office, 512-974-2995

4/12/16

Date

ACKNOWLEDGED BY:

Douglas Patterson

Name

TVP

Authorized Signature

4/14/16

Date

RETURN ONE COPY OF THIS ADDENDUM TO THE PURCHASING OFFICE, CITY OF AUSTIN, WITH YOUR RESPONSE OR PRIOR TO THE SOLICITATION CLOSING DATE. FAILURE TO DO SO MAY CONSTITUTE GROUNDS FOR REJECTION.



**ADDENDUM
CITY OF AUSTIN, TEXAS**

Solicitation: RFP TVN0060

Addendum No: 2

Date of Addendum: April 25, 2016

This addendum is to incorporate the following changes to the above referenced solicitation:

I. Clarifications:

A. Attachment 10 has been replaced with Attachment 10A (attached).

II. Questions:

Q1: Is there an agenda / list of what COA properties (locations) that are to be visited?

A1: A copy of the inspection schedule is attached to this addendum.

Q2: I understand that we are limited to no more than two (2) representatives for the property inspection. Can we change what 2 go to each COA Property visit? Example, 2 representatives would go the Airport on one day, and 2 different representatives would go to the Convention center the following day.


A2: Yes. Different representatives can attend the property inspections as long as no more than two (2) attend any single location.

Q3: What do I need to do (form – paperwork) to have representatives have a valid government issue identification to do the walk-through's?

A3: Representatives must have their Driver's License or other Government Issued ID on hand to do the scheduled walk-throughs.

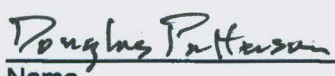
III. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

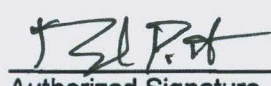
APPROVED BY:


Terry V. Nicholson, Sr. Buyer Specialist
Purchasing Office, 512-974-2995


Date

ACKNOWLEDGED BY:


Name


Authorized Signature


Date

RETURN ONE COPY OF THIS ADDENDUM TO THE PURCHASING OFFICE, CITY OF AUSTIN, WITH YOUR RESPONSE OR PRIOR TO THE SOLICITATION CLOSING DATE. FAILURE TO DO SO MAY CONSTITUTE GROUNDS FOR REJECTION.

ATTACHMENT 10A
FINE ART SUMMARY OF VALUES

	Owned	Loaned	Total
Art in Public Places	\$ 11,385,086	\$ 89,300	\$ 11,474,386
City Hall	\$ -	\$ 2,875	\$ 2,875
City Hall People's Gallery	\$ 43,600	\$ 318,300	\$ 361,900
Dougherty Arts Center	\$ 250,000	\$ 54,805	\$ 304,805
Elizabeth Ney Museum	\$ 7,231,490	\$ 490,000	\$ 7,721,490
George Washington Carver Museum	\$ 1,851,602	\$ -	\$ 1,851,602
George Washington Carver Artist Gallery	\$ 550,000	\$ 200,000	\$ 750,000
George Washington Carver Community Gallery	\$ 100,000	\$ 50,000	\$ 150,000
O'Henry Museum	\$ 852,722	\$ 10,000	\$ 862,722
Susanna Dickinson Museum	\$ 12,125	\$ 625	\$ 12,750
Trail of Lights Exhibit	\$ 900,000		\$ 900,000
Umlauf Sculpture Garden & Museum	\$ 2,085,000	\$ -	\$ 2,085,000
Austin Bergstrom Airport	\$ 300,000	\$ 13,750	\$ 313,750
Mexican American Cultural Center	\$ 82,766	\$ 285,300	\$ 368,066
Total Art Values	\$ 25,644,391	\$ 1,514,955	\$ 27,159,346

**RFP TVN0060 - COA Property Insurance
Inspection Tour Schedule**

A voluntary inspection tour will be conducted Wednesday, April 27, 2016 from 12:00PM to 5:00PM at the Learning & Research Center Building at 2800 Spirit of Texas Drive, Austin, TX, and Thursday, April 28, 2016 from 8:00AM to 5:00PM at Water Treatment Plant #4, 6800 Ranch Road 620 N, Austin, TX.

Facilities included on the inspection tour will include the following (shown in chronological order):

Wednesday, April 27:

1. Austin Bergstrom International Airport Passenger Terminal, 3600 Presidential Boulevard
2. SAR WWTP (Waste Water Treatment Plant), 1017 Fallwell Lane

Thursday, April 28:

1. WTP #4 Plant (Water Treatment Plant), 6800 Ranch Road 620 N
2. Davis Water Treatment Plant, 3500 W 35th Street
3. Ullrich Water Treatment Plant, 1000 Forest View Drive
4. Austin Convention Center, 500 Cesar Chavez Street



**ADDENDUM
CITY OF AUSTIN, TEXAS**

Solicitation: RFP TVN0060

Addendum No: 3

Date of Addendum: May 10, 2016

This addendum is to incorporate the following changes to the above referenced solicitation:

I. Questions:

Q4: Please provide the approximate number of pieces of public art and the highest individual value

A4: The City's Fine Art inventory includes more than 1,500 individual pieces. The highest single valued installation is Michael Singer's "Uplifted Ground" located at Austin Bergstrom International Airport valued at \$1,883,000.

Q5: There is a discrepancy between the TIV for the Evidence Warehouse listed on the SOV and COPE Tab versus the TIV listed on the tab for APD Evidence Warehouse Upgrades. Please provide the correct TIV to be used for building and contents for the Evidence Warehouse

A5: The correct values are shown on the SOV and COPE Tab: \$4,652,853 Building and \$ 11,682,650 Contents. The secondary tab "EvidWrseCacIs" should simply be viewed as a sample of how Evidence items are valued.

Q6: Policy Term 10/1/2013 – 10/1/2014: What is the flood loss amount at each location (address) that a loss occurred at within the aggregated \$3,074,903 (10/30/2013 – multiple locations) flood loss? Was there any NFIP recovery at any of the locations?

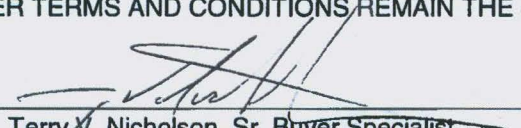
A6: Refer to the attached Claim #1806429528US spreadsheet.

Q7: Policy Term 10/1/2015 – 10/1/2016: Where (by location & amount) is the \$730,000 flood loss (10/30/2015 - multiple locations) reserves at?

A7: Refer to the attached Claim \$1311401284US.


II. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

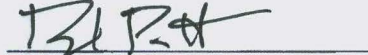
APPROVED BY:


Terry V. Nicholson, Sr. Buyer Specialist
Purchasing Office, 512-974-2995


Date

ACKNOWLEDGED BY:


Name


Authorized Signature


Date

RETURN ONE COPY OF THIS ADDENDUM TO THE PURCHASING OFFICE, CITY OF AUSTIN, WITH YOUR RESPONSE OR PRIOR TO THE SOLICITATION CLOSING DATE. FAILURE TO DO SO MAY CONSTITUTE GROUNDS FOR REJECTION.

CITY OF AUSTIN-10/30/13 FLOOD LOSS-September 12, 2015- Claim #1806429528US-- VCI File #HOU13-391480

Department	Location	Address	Type Damage Claimed	FEMA Flood Zone	Covered Under Policy	Insured Amount Claimed	Estimate	Depreciation Holdback	Deductible	NET
ARR-10	Landfill-Leachate well repairs	10108 FM 812	Flood damage to electrical components of lower level pump control units that regulate flow of leachate water to storage tanks	X	Y	\$ 21,385.52	\$ 21,385.52	\$ -		\$ 21,385.52
AWU # 111	Bintliff Lift Station	10202 Spicewood Mesa Dr	Lift Station had the dry pit flooded	AE	Y	\$ 61,858.99	\$ 61,858.99	\$ -	\$ (61,858.99)	
AWU # 195	River Plantation/Onion Creek WWTP	10514-1/2- River Road Plantation	Fence, generator, switch gear and above ground steel tanks destroyed.	AE	Y	\$ 3,743,427.03	\$ 3,743,427.03	\$ (1,011,704.40)	\$ (1,000,000.00)	\$ 1,731,722.63
AWU # 195	Onion Creek WWTP (BPP)	10514-1/2- River Road Plantation	BPP located inside office trailer destroyed	AE	Y	\$ 2,989.78	\$ 2,989.78	\$ (1,010.68)	\$ -	\$ 1,979.10
AWU # 198	1017 Falwell Lane -- South Austin Regional WWTP	1017 Falwell Lane	Govalle Tunnel Cleaning/Repair/Odor Mi	X	Y	\$ 217,500.00	\$ 217,500.00		\$ (217,500.00)	
AWU # 198	13009 Falwell Lane -- South Austin Regional WWTP	13009 Falwell Lane	Exposed sludge lines from WWTP to HB	X	Y					
AWU-198	1017 Falwell Lane -- South Austin Regional WWTP	1017 Falwell Lane	Emergency Electrical repairs-Waiting for	X	Y					
AWU # 204	Springfield Lift Station	5404 E. Will Cannon Dr	Lift Station completely under water	AE	Y	\$ 191,233.50	\$ 191,233.50	\$ -	\$ (191,233.50)	
AWU # 216	Walnut Creek W&WW Treatment Plant	7113 FM 969	Pump motor failure, landscaping & irrigation lines, bank stabilization-(\$3,218,133.63 deductible)	A	N	\$ 5,000.00	\$ 5,000.00		\$ (5,000.00)	
AWU # 228	River Plantation Fit Station	10515-1/2 River Road Plant	Damage to fence, generator, switch gears and pump motors. No damage to concrete digester tanks.	AE	Y	\$ 144,991.43	\$ 144,991.43	\$ -	\$ (144,991.43)	
AWU-Misc	Manholes @ Various Locations-Inc. Concrete repair		Flood damage repairs-Manhole repair/re	X	Y	\$ 52,470.41	\$ 52,470.41			\$ 52,470.41
	Insured's Labor-Not in initial settlement					\$ 305.13	\$ 305.13			\$ 305.13
AV # 5	Bergstrom Airport	3212 General Aviation Ave	1/2 mile security fence destroyed	X	Y	\$ 123,099.79	\$ 123,099.79	\$ -		\$ 123,099.79
EMS # 3	EMS Station No. 2	6601 Manchaca Road	Flood damage throughout structure	X	Y	\$ 9,351.00	\$ 9,351.00	\$ -	\$ -	\$ 9,351.00
PARD # 385	Jimmy Clay Golf Course #6 green	5400 Jimmy Clay Dr	Solar powered lake bubbler aerification s	X	Y	\$ 32,233.99	\$32,233.99	\$ -		\$ 32,233.99
PARD # 385	Jimmy Clay Golf Course Holes 4, 6, 8, 12, 15	5400 Jimmy Clay Dr	Flood damage to irrigation control units	X	Y	Included			\$ -	
PARD # 400	Morris Williams Golf Course	4305 Manor Rd	Flood damage to intake float system atta	X	Y	\$ 38,651.02	\$ 38,651.02	\$ (7,490.51)		\$ 31,160.51
PARD # 405	Roy Kizer Golf Course Holes 2, 5, 6 & gate	5400 Jimmy Clay Dr	5 irrigation controllers & Entrance Gate	X	Y	\$ 21,623.66	\$21,623.66	\$ -		\$ 21,623.66
Fleet Vehicles	Ford F-150 Ext 2WD PU-2011	10514-1/2- River Road Plant	Flood damage to scheduled vehicle	X	Y	\$ 29,366.00	\$ 29,366.00	\$ (8,160.92)		\$ 21,205.08
PARD-365	Water Well Pumphouse	12110 Old San Antonio Road	Flood damage to breaker box and electrical feed.	X	Y	Withdrew	No flood dam			
	TOTAL					\$ 4,695,487.25	\$ 4,695,487.25	\$ (1,028,366.51)	\$ (1,620,583.92)	\$ 2,046,536.82

\$ 3,074,903.33 *

"NET" plus "Depreciation Holdback" equals the \$3,074,903 shown on loss run.

CITY OF AUSTIN-10/30/15 FLOOD LOSS-April 21, 2016- Claim #1311401284US-- VCI File #HOU15-409630

Dept	Location	Address	Type Damage Claimed	Insured Amount Claimed	Estimate	Depreciation Holdback	Deductible	NET
ARR-12	SWS Landfill Maint Shop	10108 FM 812	Damage to fences	\$ 5,000.00	\$ 6,768.07			\$ 6,768.07
AV-Sec	Austin Regional Airport-Fencing	Aircraft Lane/Bergstrom Dr	Damage to fences	\$ 150,000.00	\$ 118,880.46	\$ (23,257.70)		\$ 95,622.76
AWU-147	Gonzales Lift Station	651 Tillery	Damage to pump-ACTUAL INVOICES TO BE SUBMITTED	\$ 3,618.88	\$ 3,618.88	\$ (3,618.88)		\$ -
Bridge 65	Colorado River Park Pedestrian	600 Grove Blvd	Additional damages being claimed since 5/3	\$ 618,224.42	\$ 618,224.42	\$ (68,004.68)	\$ (100,000.00)	\$ 450,219.74
	PREVIOUS CLAIM-DOL 5/26/15-RCV Claim			\$ (373,089.70)	\$ (373,089.70)			\$ (373,089.70)
PARD-150-1	Umlauf Sculpture Garden, Studio	605 Robert E. Lee/506 Bart	Flood damage to retaining walls, other prop	\$ 50,000.00				
PARD-348	Montopolis Recreation Center	1200 Montopolis Dr	Water damage to interior of building	\$ 3,094.70	\$ 3,094.70			\$ 3,094.70
PARD-386	Jimmy Clay Golf Course-Pump H	5400 Jimmy Clay Dr	Damage to control boards for irrigation	\$ 19,557.27	\$ 19,557.27			\$ 19,557.27
Watershed	Watershed Protection	4700 Peach Grove Rd	Flood damage to the fencing around erosion	\$ 6,110.91	\$ 6,110.91			\$ 6,110.91
	TOTALS			\$ 482,516.48	\$ 403,165.01	\$ (94,881.26)	\$ (100,000.00)	\$ 208,283.75



**ADDENDUM
CITY OF AUSTIN, TEXAS**

Solicitation: RFP TVN0060

Addendum No: 4

Date of Addendum: May 17, 2016

This addendum is to incorporate the following changes to the above referenced solicitation:

I. Clarifications:

- A. Page one (1) of the solicitation failed to correctly state the number of proposal copies required. The requirement is:

SUBMIT 1 ORIGINAL, 3 COPIES, AND 1 ELECTRONIC COPY OF YOUR RESPONSE

- II. To facilitate the clarification above, the closing time and date of the solicitation has been extended to 2:00 PM on May 24, 2016. **Proposals will be accepted until 2:00 PM on May 24, 2016.**

III. ALL OTHER TERMS AND CONDITIONS REMAIN THE SAME.

APPROVED BY: _____

Terry V. Nicholson, Sr. Buyer Specialist
Purchasing Office, 512-974-2995

5/17/16
Date

ACKNOWLEDGED BY:

Douglas Patterson
Name

131 F. R. H.
Authorized Signature

5/17/16
Date

RETURN ONE COPY OF THIS ADDENDUM TO THE PURCHASING OFFICE, CITY OF AUSTIN, WITH YOUR RESPONSE OR PRIOR TO THE SOLICITATION CLOSING DATE. FAILURE TO DO SO MAY CONSTITUTE GROUNDS FOR REJECTION.