

## **Committee-of-the-Whole Agenda**

**6:30 p.m.**

**Tuesday, November 27, 2012**

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### **Questions on the Agenda**

#### **Agenda Items**

- 1. Request for the Mayor and City Clerk to extend the current agreement with Quality Construction Services, Inc. for parking garage maintenance for a two-year period commencing December 4, 2012 (Chris Mathias, Property Management Coordinator)**
- 2. Request for the Mayor and City Clerk to execute a contract with Gold Star FS, Inc. for 2013 Spring Diesel Fuel Average Price Contract and 2013 Fall Diesel Fuel Average Price Contract. (J.D. Schulte, Fleet Services Manager)**
- 3. A Resolution authorizing the Mayor and City Clerk to enter into an agreement with Willis of Illinois, Inc. (Willis) for liability, property and workers compensation insurance for a period of one year commencing on December 31, 2012. (Alison Fleming, Human Resources Manager)**
- 4. Amendments to Chapter 21 of the Moline Code of Ordinances pertaining to chronic nuisance offenses. (Maureen Riggs, City Attorney)**
- 5. Other**

#### **Work Session**

North Slope Wastewater Treatment Plant Improvements Project (Greg Swanson, Utilities General Manager)

#### **Informational**

City Council Goals Progress Report (Lew Steinbrecher, City Administrator)

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# Explanation

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**1. Request for the Mayor and City Clerk to extend the current agreement with Quality Construction Services, Inc. for parking garage maintenance for a two-year period commencing December 4, 2012 (Chris Mathias, Property Management Coordinator)**

**Explanation:** The agreement with Quality Construction Services, Inc. is up for renewal. The current agreement fulfills all property management and maintenance needs for the City's parking garages. Per the agreement, Quality provides snow plowing, daily cleaning, construction services, as well as any other activity required to keep the parking garages functioning properly. The agreement provides an option to extend the contract for two years at the same cost. Staff recommends extending this agreement as Quality has performed well and has responded quickly to maintenance issues. Additional documentation is attached.

**Staff Recommendation:** Approval

**Fiscal Impact:** This is a budgeted item in the 2013 budget with approximately \$166,000 dedicated to maintenance for the three Downtown parking garages.

**Public Notice/Recording:** N/A

**Goals Impacted:** Improved City Infrastructure & Facilities

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**2. Request for the Mayor and City Clerk to execute a contract with Gold Star FS, Inc. for 2013 Spring Diesel Fuel Average Price Contract and 2013 Fall Diesel Fuel Average Price Contract. (J.D. Schulte, Fleet Services Manager)**

**Explanation:** Fleet Services currently monitors fuel pricing trends and obtains bids for the products needed from suppliers for the City's central fuel island. In an effort to use the City's greater purchasing power now that the City is a product distribution center for five agencies, Fleet Services would like to enter into a buying community for a test period during the 2013 budget year. This buying community has been used and tested by school districts over the past 12 months and is currently being opened up for admission until November 28 for other agencies. The test strategy being recommended by Fleet Services for Moline would be to contract for a purchase of a total of 24,000 gallons of Ultra Low Sulfur Clear (ULSC) Diesel Fuel during 2013(12,000 gallons/Spring Contract and 12,000 gallons/Fall Contract). This is approximately 15% of the anticipated annual need. This test period will allow Fleet Services the opportunity to purchase product four times throughout the year at a fixed forward sales contract price during times when the seasonal market may be experiencing volatility. Additional documentation is attached. This item also appears on the formal Council Agenda under "Items Not on Consent" section on November 27, 2012.

**Staff Recommendation:** Staff recommends entering into an agreement with Gold Star FS of Silvis, IL with a commitment to purchase 24,000 gallons of ULSC at a price to be determined by the Refined Fuel Contracting Program during 2013.

**Fiscal Impact:** Potential savings per gallon of up to \$0.40.

**Public Notice/Recording:** N/A

**Goals Impacted:** Financially Strong City – Cost Effective & Efficient Services

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3. **A Resolution authorizing the Mayor and City Clerk to enter into an agreement with Willis of Illinois, Inc. (Willis) for liability, property and workers compensation insurance for a period of one year commencing on December 31, 2012.** (Alison Fleming, Human Resources Manager)

**Explanation:** Willis, the current broker for the City's property and liability insurance, has submitted an agreement to provide coverage from December 31, 2012 through December 31, 2013. At \$672,957 the proposal is 0.05% less than the amount budgeted for 2013. The increase from 2012 is 10.5% and is due, in part, to a regional increase in Public Officials Legal Liability and Auto Liability premium expenses. Additional documentation is attached.

**Staff Recommendation:** Approve  
**Fiscal Impact:** These items are budgeted for annually in the Liability Fund.  
**Public Notice/Recording:** N/A  
**Goal Impacted:** Financially Strong City

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4. **Amendments to Chapter 21 of the Moline Code of Ordinances pertaining to chronic nuisance offenses.** (Maureen Riggs, City Attorney)

**Explanation:** Per alderman request, City staff has reviewed the issue of chronic nuisance offenses on Moline properties and potential remedies for same. Staff is drafting an ordinance for the Council's review that defines chronic nuisance properties and aggravated chronic nuisance properties and the types of offenses that, when repeated within a 365-day period, would fall within the parameters of the definitions and constitute a violation of the City Code. Offenses include but are not limited to certain drug and/or alcohol related activities, criminal damage to property, assault or battery, disorderly conduct, and more severe criminal activities including murder and kidnapping. Remedies by the court will include closure of the property for a certain time period (not less than 30 days and not more than 180 days), civil penalties payable to the City, and authorization for the City to secure the property or otherwise abate the chronic nuisance or aggravated chronic nuisance if the owner fails to do so, with costs of the closure or abatement payable to the City. The ordinance will also provide for emergency closure of a chronic nuisance or aggravated chronic nuisance property if an immediate threat to the public safety and welfare is determined by the court.

**Staff Recommendation:** Approve  
**Fiscal Impact:** N/A  
**Public Notice/Recording:** N/A  
**Goal Impacted:** Desirable Place to Live

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**EXHIBIT “A”**

**AGREEMENT FOR  
PROPERTY MAINTENANCE AND MANAGEMENT SERVICES  
PARKING GARAGES (3)  
CITY OF MOLINE, ILLINOIS**

This Agreement is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2012, by and between the CITY OF MOLINE, ILLINOIS (hereinafter "City"), and QUALITY CONSTRUCTION SERVICES, INC., (hereinafter "Quality"), an Iowa corporation with its offices in Eldridge, Iowa.

WHEREAS, City is interested in entering into an Agreement for property maintenance and management services for the Centre Station, Heritage Place, and Midtown parking garages (hereinafter collectively referred to as "Garages"); and

WHEREAS, Quality desires to provide property maintenance and management services to City for said Garages under certain terms and conditions set forth below.

WITNESSETH, that Quality for and in consideration of the payments to be made to it by City, hereby covenants and agrees to and with City that it shall and will in a good and workmanlike manner furnish all labor, materials and services for the property maintenance and management of said Garages according to the terms and conditions as follows:

**I. FACILITIES LOCATION AND DESCRIPTION**

The Garages are located as follows;

A. Centre Station 1200 River Drive, Moline, Illinois. Services for the parking garage at Centre Station are limited to the second and third level decks (including ingress and egress ramps, to/from street level), and the following common areas of the property known as Centre Station: the Clock Tower, both common stairwells (East and West ends of the property), foyers at each level and the elevator. This garage contains approximately 321 parking spaces.

B. Heritage Place Parking Garage. This garage is located at the corner of 15<sup>th</sup> Street and 4<sup>th</sup> Avenue. It consists of 3-levels (decks) of parking (including ingress and egress ramps, to/from street level), approximately 306 parking spaces, two stairwells, an elevator and grounds.

C. Midtown Parking Garage. This garage is located on Sixth Avenue between 16<sup>th</sup> and 17<sup>th</sup> Streets. It consists of 4-levels (decks) of parking (including ingress and egress ramps, to/from street level), approximately 444 parking spaces, and enclosed pedestrian stair towers, a pedestrian bridge linking garage to Fifth Avenue building, an elevator and grounds surrounding the structure.

## **II. TERM OF AGREEMENT AND CANCELLATION**

### **A. TERM**

1. Services shall commence on December 4, 2012 and expire on December 31, 2014 (hereinafter "original term").
2. The City may elect to extend services under this Agreement, beyond the original term, in additional increments the length of which is to be determined by the Parties at the time of extension. Notice of extensions shall be served pursuant to Section VI.F, with (30) thirty days written notice prior to the end of the current term. Any election to extend the Agreement beyond the original term is at the sole discretion of City.
3. Throughout this Agreement "service start date" means the first day of the original term.

### **B. CANCELLATION**

1. City reserves the right to cancel the Agreement at any time, upon (30) thirty days written notice to Quality, for failure of Quality to comply with any provision in the Agreement. Conduct, including but not limited to the following, shall constitute a default or breach of this Agreement:
  - (i) Failure to meet the minimum requirements set forth in Section III, Scope of Services.
  - (ii) Failure to meet any other provision of the Agreement.

## **III. SCOPE OF SERVICES**

This section sets forth the minimum requirements of the proposed services. Quality shall perform property maintenance and management services for the Garages as follows:

A. Quality shall perform all property maintenance and management service for items listed in **Exhibit "A,"** attached hereto and incorporated herein by this reference. Items listed in **Exhibit "A"** are considered maintenance work and as such are not expected to fall under the provisions of the Prevailing Wage Act, found generally at 820 ILCS 13010.01 et. Seq. (the "Act"). From time to time, City may request work be preformed not listed in Exhibit "A" which may constitute construction work. In these circumstances, Quality shall be expected to work with City to comply with the requirements of the Act, including payment of prevailing wage. In any event, Quality will be required to independently determine items requiring payment of prevailing wage as City neither guarantees, warrants or otherwise represents which items are subject to prevailing wage.

B. Quality shall competitively bid, negotiate and supervise subcontracted work for specialized maintenance it is unable to perform, such as an elevator service contract.

C. Quality agrees to provide City monthly itemized billings for services provided at each facility, along with associated equipment, materials and labor costs. Cost for management of subcontracts should also be itemized. Such billing will be consistent with the sample billing format provided as **Exhibit "B,"** attached hereto and incorporated herein by this reference. Quality agrees that the items listed in **Exhibit "A"** with an asterisk (\*) will be performed by a laborer. Any work to be performed, whether or not listed on **Exhibit "A,"** if not to be performed by a laborer, shall require prior written approval by City.

D. Prior to the execution of this Agreement by City, Quality shall provide a written cost itemization of the labor, equipment and material rates used to establish the **Four Hundred and 00/100<sup>ths</sup> Dollars (\$400.00)** per week, per ramp charge for services identified in **Exhibit "C,"** attached hereto and incorporated herein.

E. Quality agrees it shall meet with City to establish a service schedule to be agreed upon between City and Quality for each facility addressing the items listed in **Exhibit "A."** The service schedule shall also address any incidental work necessary for each facility, such as the need to respond to trash pick-up after events at the i-Wireless Center. Meetings to establish the service schedule shall be at no cost to City. The parties further agree to make representatives, with the authority to establish a service schedule, available in a timely fashion, in order that services can commence by the service start date.

F. Quality agrees it shall meet with City quarterly to review the maintenance and management status of each facility and make recommendations with regard to changes, if any, necessary to the service schedule for each facility. These meetings shall be at no charge to the City.

G. In addition to providing City with a designated representative within its organization to serve as its service representative, Quality shall provide City staff with an afterhours contact person and a phone or pager number by which he/she can be reached.

H. Quality agrees to respond to any request for special or emergency service within two hours of a request by City. Special or emergency service shall include but not be limited to requests for additional pick-up of trash, cleaning of facilities, or snow removal.

#### **IV. QUALIFICATIONS AND REQUIREMENTS**

A. Prior to the signing of the Agreement Quality shall provide at least two references, where substantially similar services have been performed.

B. Quality shall at a minimum purchase and maintain at its own expense the following types and amounts of insurance:

1. Commercial General Liability Insurance at limits no less than \$1,000,000 per occurrence; \$2,000,000 general aggregate; and
2. Workers Compensation; and
3. Proof of insurance must be submitted prior to the signing of this Agreement and must name the City of Moline and its employees acting within the scope of their duties as an additional insured. Such policies shall not be cancelable without thirty (30) days advance written notice to the City of Moline.

C. Quality agrees to indemnify, hold harmless and defend City against any claim, action, suit, proceeding, cost or damage to the extent resulting from (a) Quality's material breach of any term of the contract; and (b) any negligent or recklessness conduct, whether intentional or unintentional on the part of Quality or its employee's in carrying out its duties under the Scope of Services herein described.

## **V. RATE STRUCTURE**

Quality shall bill City for property maintenance and management services provided for said Garages pursuant to the rate structure established in **Exhibit "C,"** attached hereto and incorporated herein.

## **VI. ADDITIONAL TERMS**

### **A. ASSIGNMENT**

No assignment of this Agreement or any right accruing under this Agreement shall be made without the express written consent of City. Any purported assignment without the City's express written consent shall render this Agreement voidable at the City's option. In the event the City expressly consents to such a written assignment, the assignee shall assume the obligations and duties of Quality under the Agreement and the full liability of Quality.

### **B. CIRCUMSTANCES BEYOND CONTROL**

Neither party hereto shall be liable for the failure to perform hereunder due to acts of God or other dire circumstances beyond its control. Specifically excepted from such circumstances for avoiding liability hereunder include strikes, lock -outs or other employee or labor disputes, or the cost of labor, materials and supplies needed to provide property maintenance and management services to City for said Garages (e.g. fuel or equipment costs).

### **C. APPLICABLE LAW**

This Agreement shall be governed by the laws of the State of Illinois, and the sale and exclusive venue for any disputes arising out of this Agreement shall be any state

court located within Rock Island County, Illinois, or federal court located within the appropriate venue. A waiver of any part of this Agreement shall be limited to that specific event and shall not be a waiver of the entire Agreement.

D. SEVERABILITY

Should any part of this Agreement be determined to be illegal, invalid or otherwise unenforceable, then all such remaining parts not so affected by such illegality, invalidity or unenforceability shall continue in full force and effect, fully binding all parties, their respective heirs and assigns, as to such remaining terms.

E. ENTIRE AGREEMENT

This Agreement and its Exhibits contain the entire agreement among the parties, and supersedes all prior agreements or other understandings, oral or written, not expressly retained herein. It shall inure to the benefit of, and shall be binding upon the parties hereto and their respective successors or assigns. This Agreement may be modified only by a written amendment signed by all of the parties.

F. NOTICE

All notices required under this Agreement shall be deemed to be properly served if delivered in writing personally or sent by certified mail as follows;

Scott Hinton  
City Engineer  
City of Moline  
3635 4<sup>th</sup> Ave.,  
Moline, IL 61265

With a copy to:  
City Attorney  
City of Moline  
1616 6<sup>th</sup> Avenue  
Moline, IL 61265

Mark C. Powell  
President  
Quality Construction  
Services, Inc.  
3425 South 11<sup>th</sup>  
Avenue  
Eldridge, IA 52748





EXHIBIT "A"

SERVICES				
TASK	DESCRIPTION	LOCATION	FREQUENCY	COMMENT
*TRASH REMOVAL	Inspection for and removal of trash.	Parking decks, stairwells, restrooms and grounds for Midtown and Heritage.	Inspect and remove daily and as needed.	Additional pick-up as required to meet i-Wireless events
*LIGHTING	Replace light bulbs.	Through-out ramp interior and exterior.	As needed.	
*SWEEPING	Sweeping of parking decks.	Decks.	Weekly and as needed.	
*SWEEPING/ CLEANING	Sweeping and cleaning of stairwells including washing stairwell floors, when necessary, cleaning stairwell doors and glass interior that people touch when using stairwell.	Stairwells.	Monthly and as needed.	Additional cleaning may be required if situation needing cleaning reported.
POWER WASH	Power washing of parking decks.	Decks	Spring and fall.	
*STRIPING	Stripping of parking decks.	Decks.	As needed.	
*PAINT	Painting of structure or related railings	Interior/Exterior Ramps.	As needed.	
WINDOW CLEANING	Interior/Exterior	All ramps with exterior windows.	Spring.	
ELEVATOR SUBCONTRACTS	Manage subcontract For service, inspections, and repairs.	Ramps.		Current service contracts will be made available.
*ELEVATORS/ TRASH	Remove trash and clean	Ramps.	Weekly.	If daily walk through for trash in ramp reveals

				additional cleaning of restrooms or elevators needed, additional cleaning should be performed.
*Restrooms	Trash removal and cleaning	Ramps	Daily and as needed.	
SNOW REMOVAL	Snow and ice removal decks and sidewalks	Exposed ramp decks and side walks.	As needed.	Some snow removal required based on amount of snow.
OTHER	Other items as may be requested by City from time to time.	All ramps.	As needed.	



EXHIBIT "C"

RATE STRUCTURE



# QUALITY CONSTRUCTION SERVICES, INC.

3425 South 11<sup>th</sup> Avenue, Eldridge, IA 52748  
IA: 563-285-4344 IL: 309-757-9150  
Fax: 563-285-8064

October 2, 2012

**Proposal**

City of Moline  
Attn: Christopher Mathias  
619 – 16<sup>th</sup> Street  
Moline, Illinois 61265

**RE: Itemization for services:**

16 man hours at \$40.00	\$ 640.00	
Equipment Rental:	475.00	
<u>Material:</u>	<u>85.00</u>	
Total:	\$1,200.00	(\$400.00 each facility)

Thank you for this opportunity, and should you have any questions please feel free to call me at 563-285-4344.

Sincerely,  
Quality Construction Services Inc.

Mark Powell  
President

**Proposal Valid for 30 days**



# QUALITY CONSTRUCTION SERVICES, INC.

3425 South 11<sup>th</sup> Avenue, Eldridge, IA 52748  
IA: 563-285-4344 IL: 309-757-9150  
Fax: 563-285-8064

October 2, 2012

**Proposal**

City of Moline  
Attn: Christopher Mathias  
619 – 16<sup>th</sup> Street  
Moline, Illinois 61265

RE: Centre Station

Quality Construction Services, Inc. proposes to furnish all labor, material, equipment, tools and supervision as follows below:

**Weekly:**

- Trash removal from parking decks, stairwells and grounds
- Replace light bulbs as needed
- Sweeping of ramps
- Clean stairwells
- Cleaning of the restrooms if applicable.

**Total: \$400.00**

**Power Wash Ramps: -----\$ 700.00 per wash**

**Window Cleaning: -----\$1,025.00 per cleaning**

**Striping of parking decks: ----- See Attachment (A) for Time and Material Rates**

**Painting & Miscellaneous Work: -- See Attachment (A) for Time and Material Rates**

**Snow Removal: -----See Attachment (B) for Time and Material Rates**

All work will be completed in a timely and professional manner. Thank you for this opportunity, and should you have any questions please feel free to call me at 563-285-4344.

Sincerely,  
Quality Construction Services Inc.

Mark Powell  
President

**Proposal Valid for 30 days**



# QUALITY CONSTRUCTION SERVICES, INC.

3425 South 11<sup>th</sup> Avenue, Eldridge, IA 52748  
IA: 563-285-4344 IL: 309-757-9150  
Fax: 563-285-8064

October 2, 2012

**Proposal**

City of Moline  
Attn: Christopher Mathias  
619 – 16<sup>th</sup> Street  
Moline, Illinois 61265

RE: Heritage Parking Ramp

Quality Construction Services, Inc. proposes to furnish all labor, material, equipment, tools and supervision as follows below:

**Weekly:**

- Trash removal from parking decks, stairwells and grounds
- Replace light bulbs as needed
- Sweeping of ramps
- Clean stairwells
- Cleaning of the restrooms if applicable.

**Total: \$400.00**

**Power Wash Ramps: -----\$ 700.00 per wash**

**Window Cleaning: -----\$ 515.00 per cleaning**

**Striping of parking decks: ----- See Attachment (A) for Time and Material Rates**

**Painting & Miscellaneous Work: -- See Attachment (A) for Time and Material Rates**

**Snow Removal: -----See Attachment (B) for Time and Material Rates**

All work will be completed in a timely and professional manner. Thank you for this opportunity, and should you have any questions please feel free to call me at 563-285-4344.

Sincerely,  
Quality Construction Services Inc.

Mark Powell  
President

**Proposal Valid for 30 days**



# QUALITY CONSTRUCTION SERVICES, INC.

3425 South 11<sup>th</sup> Avenue, Eldridge, IA 52748  
IA: 563-285-4344 IL: 309-757-9150  
Fax: 563-285-8064

October 2, 2012

**Proposal**

City of Moline  
Attn: Christopher Mathias  
619 – 16<sup>th</sup> Street  
Moline, Illinois 61265

RE: Midtown Parking Ramp

Quality Construction Services, Inc. proposes to furnish all labor, material, equipment, tools and supervision as follows below:

**Weekly:**

- Trash removal from parking decks, stairwells and grounds
- Replace light bulbs as needed
- Sweeping of ramps
- Clean stairwells
- Cleaning of the restrooms if applicable.

**Total: \$400.00**

**Power Wash Ramps: -----\$ 700.00 per wash**

**Window Cleaning: -----\$1,295.00 per cleaning**

**Striping of parking decks: ----- See Attachment (A) for Time and Material Rates**

**Painting & Miscellaneous Work: -- See Attachment (A) for Time and Material Rates**

**Snow Removal: -----See Attachment (B) for Time and Material Rates**

All work will be completed in a timely and professional manner. Thank you for this opportunity, and should you have any questions please feel free to call me at 563-285-4344.

Sincerely,  
Quality Construction Services Inc.

Mark Powell  
President

**Proposal Valid for 30 days**



**QUALITY  
CONSTRUCTION  
SERVICES, INC.**

P.O. Box 156 • Eldridge, IA 52748 • (563) 285-4344  
Fax (563) 285-8064  
Physical Location: 3425 South 11th Avenue  
www.qcqc.com

***Attachment A***

	<u>Straight Time</u>	<u>Overtime (1-1/2)</u>	<u>Double Time</u>
General Foreman	\$ 49.50	\$ 72.30	\$ 96.00
Foreman	41.75	60.80	79.80
Carpenter	39.20	56.75	75.00
Laborer	28.80	41.50	54.25

**Materials, Subcontractor, & Equipment Rate:**  
Cost plus 15% markup



# QUALITY CONSTRUCTION SERVICES, INC.

3425 South 11<sup>th</sup> Avenue, Eldridge, IA 52748  
IA: 563-285-4344 IL: 309-757-9150  
Fax: 563-285-8064

## Attachment B

October 2, 2012

**Proposal**

City of Moline  
Attn: Christopher Mathias  
619 – 16<sup>th</sup> Street  
Moline, Illinois 61265

RE: Snow Removal Rates 2012-2013 and 2013-2014 Seasons

Laborer (includes snow blower)	\$ 55.00 per hour
Plow Truck & Driver:	\$ 75.00 per hour
Equipment & Operator: (I.e. dump truck, loader, skid steer)	\$ 90.00 per hour
Triple Melt Salt (50 lbs)	\$12.00 per bag

Thank you for this opportunity, and should you have any questions please feel free to call me at 563-285-4344.

Sincerely,  
Quality Construction Services, Inc.

Mark Powell  
President

**Proposal Valid for 30 days**

**GOLD STAR FS, INC.**  
**2013 SPRING DIESEL FUEL AVERAGE PRICE CONTRACT**

**CONTRACT #** \_\_\_\_\_

**ACCOUNT #** \_\_\_\_\_

City of Moline IL (Buyer) agrees to purchase from Gold Star FS, Inc. of Cambridge, Illinois (Seller) 12,000 gallons of liquid fuels according to the following terms and conditions. The contracted fuel is Ultra Low Sulfur Diesel Clear. Seller shall deliver the product in such reasonable quantities and at such reasonable times as requested by the Buyer, **PROVIDED, HOWEVER**, the Buyer agrees to have accepted delivery of all product between February 1 and June 30, 2013.

**FORCE MAJEURE AND ALLOCATION** Neither party shall be liable to the other for any delay or failure in performance to the extent that it is caused by circumstances beyond its reasonable control, or by fire; explosion; flood; earthquake; storm; act of God; mechanical breakdown; sabotage or vandalism; strike or other labor disturbance (Seller shall not be required to settle a labor dispute or take an action that might involve it in a labor dispute); Shortages of, or delays in obtaining, crude oil, feedstocks, raw materials or finished products, equipment, labor, transportation, or storage; interruption of utility services; or compliance with any law, regulation or order (regardless of validity) of any governmental or military authority. Further, if Seller at any time decides that its Dieselex supply is insufficient to meet the actual or forecasted needs of Seller, its divisions and subsidiaries, and its and their customers (whether under contract or not), Seller may allocate its supply among all of them in any fair and reasonable manner determined by Seller.

X A.

**AVERAGE PRICE PROGRAM : (1000 Gallon Minimum)**

Buyer agrees to purchase 12,000 gallons of liquid fuels to be delivered between February 1 and June 30, 2013. The actual price will be determined February 1, 2013. Price is determined by averaging cost for the 45 business days of contract program period Of Dec.1, 2012- Jan. 31, 2013.

(To be completed February 1, 2013). The contract purchase price of said product is \$ \_\_\_\_\_ per gallon plus all applicable taxes for a total of \$ \_\_\_\_\_ per gallon.

\*If soy diesel is delivered the price will be adjusted according to the price difference between soy and straight diesel on the day of the delivery.

All contracted gallons will be on a Keep Full Basis! (Provided credit is in good standing)

Contract valid after signed by Gold Star FS, Inc. representative.. Contracted gallons in Program A not used by June 30, 2013 will be assessed a service charge if the cash price per gallon on 6/30/2013 is less than the contract price per gallon. The service charge will be figured as follows: Contract Price per gallon minus current price per gallon on (6/30/2013) multiplied by the unused gallons equal the service charge. There will be no Refunds.

**To be valid this form must be turned in within 24 hours of signing. Verbal confirmation must be made by the salesman the same day. Patron acknowledges that their open account with Gold Star FS, Inc. must be kept current during the term of the contract. Gold Star FS, Inc. reserves the right to nullify any contract for late payment of regular open account during the term of the contract.**

I \_\_\_\_\_, hereby understand this contractual agreement and agree to purchase liquid fuels in accordance to the above contract at the agreed price.

_____ PATRON SIGNATURE	_____ DATE	_____ SALESMAN SIGNATURE	_____ DATE
_____		_____ PHONE #	
_____	_____ ADDRESS	_____ E MAIL ADDRESS	

**GOLD STAR FS, INC.**  
**2013 FALL DIESEL FUEL AVERAGE PRICE CONTRACT**

**CONTRACT #** \_\_\_\_\_

**ACCOUNT #** \_\_\_\_\_

City of Moline IL (Buyer) agrees to purchase from Gold Star FS, Inc. of Cambridge, Illinois (Seller) 12,000 gallons of liquid fuels according to the following terms and conditions. The contracted fuel is Ultra Low Sulfur Diesel Clear. Seller shall deliver the product in such reasonable quantities and at such reasonable times as requested by the Buyer, **PROVIDED, HOWEVER**, the Buyer agrees to have accepted delivery of all product between July 1, 2013 and January 31, 2014

**FORCE MAJEURE AND ALLOCATION** Neither party shall be liable to the other for any delay or failure in performance to the extent that it is caused by circumstances beyond its reasonable control, or by fire; explosion; flood; earthquake; storm; act of God; mechanical breakdown; sabotage or vandalism; strike or other labor disturbance (Seller shall not be required to settle a labor dispute or take an action that might involve it in a labor dispute); Shortages of, or delays in obtaining, crude oil, feedstocks, raw materials or finished products, equipment, labor, transportation, or storage; interruption of utility services; or compliance with any law, regulation or order (regardless of validity) of any governmental or military authority. Further, if Seller at any time decides that its Dieselex supply is insufficient to meet the actual or forecasted needs of Seller, its divisions and subsidiaries, and its and their customers (whether under contract or not), Seller may allocate its supply among all of them in any fair and reasonable manner determined by Seller.

X **A. AVERAGE PRICE PROGRAM : (1000 Gallon Minimum)**

Buyer agrees to purchase 12,000 gallons of liquid fuels to be delivered between July 1, 2013 and January 31, 2014. The actual price will be determined February 1, 2013. Price is determined by averaging cost for the 45 business days of contract program period Of Dec.1, 2012- Jan. 31, 2013.

(To be completed February 1, 2013). The contract purchase price of said product is \$ \_\_\_\_\_ per gallon plus all applicable taxes for a total of \$ \_\_\_\_\_ per gallon.

\*If soy diesel is delivered the price will be adjusted according to the price difference between soy and straight diesel on the day of the delivery.

All contracted gallons will be on a **Keep Full Basis!** (Provided credit is in good standing)

Contract valid after signed by Gold Star FS, Inc. representative.. Contracted gallons in Program A not used by January 31, 2014 will be assessed a service charge if the cash price per gallon on 1/31/14 is less than the contract price per gallon. The service charge will be figured as follows: Contract Price per gallon minus current price per gallon on (1/31/14) multiplied by the unused gallons equal the service charge. There will be no Refunds.

**To be valid this form must be turned in within 24 hours of signing. Verbal confirmation must be made by the salesman the same day. Patron acknowledges that their open account with Gold Star FS, Inc. must be kept current during the term of the contract. Gold Star FS, Inc. reserves the right to nullify any contract for late payment of regular open account during the term of the contract.**

I \_\_\_\_\_, hereby understand this contractual agreement and agree to purchase liquid fuels in accordance to the above contract at the agreed price.

\_\_\_\_\_  
PATRON SIGNATURE

\_\_\_\_\_  
DATE

\_\_\_\_\_  
SALESMAN SIGNATURE

\_\_\_\_\_  
DATE

\_\_\_\_\_  
PHONE #

\_\_\_\_\_  
ADDRESS

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<b>Travelers Insurance</b>	<b>Limits (Occurrence/Aggregate)</b>	<b>SIR</b>	<b>2012 Premium</b>	<b>2013 Premium</b>	<b>\$ Difference</b>	<b>% Difference</b>
Auto Liability	\$1,000,000	\$50,000	\$60,350	\$67,904	\$7,554	12.5%
Catastrophic Property Damage-Public Works	\$3,500,000	\$25,000	\$17,187	\$20,147	\$2,960	17.2%
Catastrophic Property Damage-Police Department	\$500,000	\$25,000				
Property Damage - Vehicles over \$100,000	Replacement Cost	\$2,000/\$5,000				
Garagekeeper's (3 parking garages)	\$1,000,000	\$500/\$2,500 Comp				
Garagekeeper's (3 parking garages)		\$500 Collision				
Cyber Liability	\$50,000/\$1,000,000	\$5,000	\$4,103	\$4,966	\$863	21.0%
Employee Benefits	\$1,000,000/\$3,000,000	\$25,000	\$375	inc in G/L	-\$375	
Employee Practices Liability	\$1,000,000/\$2,000,000	\$100,000	\$44,978	\$49,017	\$4,039	9.0%
Excess (Umbrella)	\$10,000,000	\$10,000	\$69,401	\$73,130	\$3,729	5.4%
General Liability	\$1,000,000/\$2,000,000	\$100,000	\$95,974	\$105,447	\$9,473	9.9%
Liquor Liability	\$1,000,000	\$100,000	\$35	inc in G/L	\$35	
Paramedics/Nurse Malpractice	\$1,000,000	\$100,000				
Law Enforcement Legal Liability	\$1,000,000/\$2,000,000	\$50,000	\$94,974	\$99,987	\$5,013	5.3%
Property	\$146,596,694	\$25,000	\$135,473	\$138,107	\$2,634	1.9%
Art	\$250,000	\$1,000				
Boiler & Machinery	\$133,700,941	\$25,000				
Computers	\$1,596,739	\$1,000				
Contractors/Inland Marine	\$2,923,471	\$5,000		\$12,500	\$12,500	
Crime	\$1,000,000	\$1,000		\$3,103	\$3,103	
Docks Ded. Ice/wind/hail \$25,000/Flood \$50,000	\$136,280	\$5,000		\$3,350	\$3,350	
Mine Subsidence	\$750,000	\$25,000				
Monies	\$25,000	\$250				
Papers	\$2,600,000	\$2,500				
Public Officials Legal Liability	\$1,000,000/\$2,000,000	\$25,000	\$31,525	\$36,798	\$5,273	16.7%
Terrorism Endorsement	Adds peril					
<i>Travelers Total</i>			\$554,375	\$614,456	\$60,081	10.8%
<b>Safety National Insurance</b>	<b>Limits (Occurrence/Aggregate)</b>	<b>SIR</b>	<b>2012 Premium</b>	<b>2013 Premium</b>	<b>\$ Difference</b>	<b>% Difference</b>
Workers Compensation	Statutory Excess	\$600,000	\$49,832	\$53,501	\$3,669	7.4%
Police Officers & Firefighters		\$600,000				
Jones Act		\$750,000				
Employer's Liability	\$1,000,000	\$500,000				
<b>Willis Consulting Fee</b>			\$5,000	\$5,000	\$0	0.0%
<i>Safety National Total</i>			\$54,832	\$58,501	\$3,669	6.7%
<b>Grand Total</b>			<b>\$609,207</b>	<b>\$672,957</b>	<b>\$63,750</b>	<b>10.5%</b>



City of Moline  
619 16<sup>th</sup> Street  
Moline, IL 61265

Willis of Illinois, Inc.  
1800 River Drive  
Moline, IL 61265

## SERVICE AGREEMENT

This document records our mutual understanding regarding our professional relationship and the services we will provide to you.

City of Moline and Willis of Illinois, Inc. agree that the Term of the service and compensation arrangement set forth below will begin on December 31, 2012 and end on December 31, 2013.

### 1.0. Services and Responsibilities

1.1 Subject to all other terms and conditions of this Agreement, Willis shall provide the following services for the lines of coverage identified in Schedule A and any other services outlined in Schedule B.

1.2 We are committed to acting in your best interests in providing services to you.

1.3 Willis will work with your staff to update insurance underwriting data about the coverages on Schedule A.

1.4 The services we provide to you rely in significant part on the facts, information, and direction provided by you or your authorized representatives. Accordingly, you must provide us with complete and accurate information regarding your loss experience, risk exposures, changes in the analysis or scope of your risk exposures, and any other information reasonably required or requested by us or insurers. It is important to advise us of any changes in your business operations that may affect our services or your insurance coverages. Therefore, all information which is material to your coverage requirements or which might influence insurers in deciding to accept your business, finalizing the terms to apply and/or the cost of coverage or pay a claim, must be disclosed. Failure to fully disclose such information might allow insurers to avoid liability for a particular claim or to void the policy. This duty of disclosure applies equally at renewal of your existing coverage and upon placement of new lines of coverage. Willis is not responsible for any consequences arising from any delayed, inaccurate or incomplete information.

1.5 At the time of binding, we review the financial soundness of the insurers we recommend to provide your coverages based on publicly available information, including that produced by well-recognized rating agencies. Upon request, we will provide you with our analysis of such insurers. We do not guarantee or warrant the solvency of any insurer or any intermediary that we may use to place your coverage.

1.6 You will make all final decisions relating to your insurance coverages, risk management, and loss control needs. We will procure the insurance coverage chosen by you, including the limits you choose. We will review all binders, policies and endorsements to confirm their accuracy and conformity to negotiated specifications and your instructions. We will advise you of any errors in, or recommended changes to, such documents. You agree to also review all such documents and promptly advise us of any questions you have or of any document or provision which you believe may not be in accordance with your instructions. Your coverage is defined by the terms and conditions detailed in your insurance policies and endorsements.

1.7 We will inform you of the reporting requirements for claims, including where claims should be reported and the method of reporting to be used. Please carefully review any claims-reporting instructions or information we provide. Failure to timely and properly report a claim may jeopardize coverage for the claim. In addition, please retain copies of all insurance policies and coverage documents as well as claims-reporting instructions after termination of the policies in case you need to report claims after termination of a policy.

1.8 We will meet, as requested by you, with your representatives to discuss coverage and policies. We will promptly respond to your requests for coverage information, analysis of changing market conditions, and assistance in reporting subsequent changes in information to insurance companies and service providers.

1.9 In our capacity as insurance brokers, we do not provide legal or tax advice. We encourage you to see any such advice you want or need from competent legal counsel or tax professionals.

1.10 This Section intentionally left blank.

## 2.0. Confidentiality

2.1 We treat information you provide us in the course of our professional relationship as confidential and use it only in performing services for you. We may share this information with third parties to provide the services to you. We may also disclose this information to the extent required to comply with applicable laws or regulations or the order of any court or tribunal. By providing us with data, you represent that you are fully authorized to possess that data and to provide it to us, and further that we are fully authorized to obtain, maintain, process and transfer such data in a commercially reasonable manner. We have implemented and maintain commercially reasonable and appropriate security measures to protect sensitive information from unauthorized use or disclosure. Records you provide us will remain your property and will be returned to you upon request. However, we will retain copies of such records to the extent required in the ordinary course of our business or by law. You will treat any information we provide to you, including data, recommendations, proposals, or reports, as confidential, and you will not disclose it to any third parties. You may disclose this information to the extent required to comply with applicable laws or regulations or the order of any court or tribunal. We retain the sole rights to all of our proprietary computer programs, systems, methods and procedures and to all files developed by us.

2.2 This Section intentionally left blank.

### 3.0 Compensation and Disclosure

3.1 You agree that our compensation for the services provided under this Agreement shall be a fee of \$5,000. The fee is in addition to the net premium paid for the coverages and is payable as follows:

**Due in full on the renewal date of 12/31/12**

and

a commission of 12.5% for Travelers Public Sector Program, 18% for Travelers Property Docks Policy and a commission of 10% for the Safety National Excess Workers Compensation policy.

3.2 Our compensation for the services does not include federal, state and local sales, use, excise, receipts, gross income and other similar taxes or governmental charges which may be imposed. You are responsible for paying any such taxes or charges (except for taxes imposed on the net income of Willis) now imposed or becoming effective during the Term. In addition to the premium and our compensation, Willis may invoice you for any federal, state and local sales, use, excise or other similar taxes, unless you provide us with a valid tax exemption acceptable to us.

3.3 Our compensation may be revised if you request a change in the coverages and/or services during the term of this Agreement and we enter into a written agreement documenting any change in coverages, services and compensation.

3.4 If a Willis affiliate located outside of North America serves as an intermediary in the placement of your coverages, it will also earn and retain compensation for providing those services, which compensation is not included in the fee.

3.5 **\*\*NOT APPLICABLE TO THIS AGREEMENT\*\*** Where permitted by applicable law, Willis may assess a policy service fee. The fee is on a per-policy basis and is calculated on the premium amount, per the schedule below:

Premium Amount	Policy Service Fee
<= \$5,000	\$10
\$5,001 - \$10,000	\$50
\$10,001 - \$25,000	\$100
\$>= \$25,001	\$250

The policy service fee is compensation to Willis for such value-added services and resources including dedicated industry practices, technical resources, placement support and our strategic outcomes practices. The fee is not required by any insurer or regulator, nor is it included in the premium charged. It will be listed separately on your invoice. It is not

necessary to procure a policy to obtain many of these and other services on a consultancy basis for a separate fee.

3.6 Willis is an insurance producer licensed to do business worldwide, including in all 50 states and the District of Columbia. Insurance producers are authorized by their license to work with insurance purchasers and discuss the benefits and terms and conditions of insurance contracts; to offer advice concerning the substantive benefits of particular insurance contracts; to sell insurance; and to obtain insurance for purchasers. The role of an insurance producer in any particular transaction involves one or more of these activities.

3.7 Upon request, Willis will provide you with additional information about the compensation Willis expects to receive based in whole or in part on your purchase of insurance, and (if applicable) the compensation expected to be received based in whole or in part on any alternative quotes presented to you.

3.8 To the extent Willis is compensated by commissions paid to us by insurers, they will be earned for the entire policy period at the time we place policies for you. We will be paid the commission percentage stated for the placement of your insurance as indicated, and will receive the same commission percentage for all subsequent renewals of this policy unless we negotiate a different commission percentage with you.

3.9 In placing insurance on your behalf, Willis might use WillPLACE, a proprietary online tool that provides Willis brokers with access to global placement information. WillPLACE assists us in seeking to develop solutions for you with appropriate markets at competitive prices and terms. Some insurers pay Willis an Administration and Maintenance Fee for reporting on their book of business. Some of these insurers pay Willis an additional fee equal to 1% of the premium cost for placements matched through the WillPLACE system. Any insurer payments related to the WillPLACE system will not increase the cost of your insurance. WillPLACE fees are separate from and in addition to our compensation set forth in this Section 3 of this Agreement.

3.10 Willis may place your insurance with members of a panel of insurers. Willis develops panels of insurers in certain market segments. Participating insurers are reviewed on a variety of factors. Commission rates on panel placements may be higher than rates paid on business placed outside of the panel process. Willis discloses its commission rates to clients on quotes obtained through the panel process prior to binding the coverage. In some instances, insurers pay an administration fee to participate in the panel process.

3.11 This Paragraph left intentionally blank.

3.12 In some cases the use of a wholesale broker may be beneficial to you. We will not directly or indirectly place or renew your insurance business through a wholesale broker unless we first disclose to you in writing any compensation we or our corporate parents, subsidiaries or affiliates will receive as a result.

3.13 If wholesalers, underwriting managers or managing general agents have a role in providing insurance products and services to you, they will also earn and retain compensation for their role in providing those products and services. If any such parties are

corporate parents, subsidiaries or affiliates of ours, any compensation we or our corporate parents, subsidiaries or affiliates will receive will be included in the total compensation we disclose to you. If such parties are not affiliated with us, and if you desire more information regarding the compensation those parties will receive, please contact us and we will assist you in obtaining this information.

3.14 In the ordinary course of business we may also receive and retain interest on premiums you pay from the date we receive the funds until we pay them to the insurers or their intermediaries, or until we return them to you after we receive such funds.

3.15 Commission schedules and other compensation arrangements related to our services on your behalf may change over time and may not always be congruent with your specific policy period. Willis will provide you with accurate information to the best of our knowledge when information is presented to you, but it is possible that compensation arrangements may change over time. We will update you on any changes to our compensation prior to your renewal, and will do so at any time upon your request.

3.16 As an insurance intermediary, we normally act for you. However, we or our corporate parents, subsidiaries or affiliates may provide services to insurers for some insurance products. These services may include (a) acting as a managing general agent, program manager or in other similar capacities which give us binding authority enabling us to accept business on their behalf and immediately provide coverage for a risk; (b) arranging lineslips or similar facilities which enable an insurer to bind business for itself and other insurers; or (c) managing lineslips for insurers. Contracts with these insurers may grant us certain rights or create certain obligations regarding the marketing of insurance products provided by the insurers. We may place your insurance business under such a managing general agent's agreement, binding authority, lineslip or similar facility when we reasonably consider that these match your insurance requirements/instructions. When we intend to do so, we shall inform you and disclose the compensation payable to Willis in connection with the placement of the insurance coverage.

3.17 Some of our corporate parents, subsidiaries or affiliates are reinsurance brokers that provide reinsurance brokerage services to their insurance carrier clients. Their clients compensate them for those reinsurance brokerage services. Some of their insurance carrier clients may happen to be insurance carriers with whom we place your insurance coverages. The services we provide you and the reinsurance services our reinsurance affiliates provide their clients are separate and any compensation they may earn for the services they provide their clients are separate from and in addition to the compensation we earn for the services we provide you under this Agreement.

3.18 Subsidiaries of Willis North America Inc are members of a major international group of companies. In addition to the commissions received by us from insurers for placement of your insurance coverages, other parties, such as excess and surplus lines brokers, wholesale brokers, reinsurance intermediaries, underwriting managers and similar parties (some of which may be owned in whole or in part by our corporate parents or affiliates), may earn and retain usual and customary commissions for their role in providing insurance products or services to you under their separate contracts with insurers or reinsurers.

3.19 The insurance market is complex, and there could be other relationships which are not described in this document which might create conflicts of interest. If a conflict arises for which there is no practicable way of complying with this commitment, we will promptly inform you and withdraw from the engagement, unless you wish us to continue to provide the services and provide your written consent. Please let us know in writing if you have concerns or we will assume that you understand and consent to our providing our services pursuant to these terms.

## 4.0 Premium and Handling of Funds

4.1 You will provide immediately available funds to pay premiums by the dates specified in the insurance policies, invoices, or other payment documents. Failure to pay premium on time may prevent coverage from incepting or result in cancellation of coverage by the insurer. We are not responsible for any consequences arising from any delay or failure by you to pay the amount due by the indicated date.

4.2 You may use a premium finance company, property appraiser, structured settlement firm or other similar service provider in connection with the insurance coverages we place for you. Willis currently works with industry-leading finance providers for this service. Where permitted by law, we receive a fee for the services we provide those companies.

4.3 We will handle any premiums you pay through us and any funds which we receive from insurers or intermediaries for payment or return to you in accordance with applicable state and federal insurance laws and regulations and state unclaimed property laws. We may transfer your funds directly to insurers or to third parties such as wholesale brokers, excess and surplus lines brokers, or managing general agents to carry out transactions for you.

## 5.0 Termination

5.1 Either party may terminate this agreement upon 60 days prior written notice.

If we terminate this agreement under Section 4.1 before the end of the Term, we will be deemed to have fully earned and be entitled to a pro rata portion of the Fee, calculated from the start of the Term through the date of termination.

If you terminate this agreement before the end of the Term, we will be deemed to have fully earned and be entitled to a portion of the fee as set forth in the following schedule:

During the first six months:	75%
After six months:	100%

5.2 Our obligation to render the services under this agreement ceases at the end of the Term or on the effective date of termination of our relationship, whichever is sooner. Nevertheless, we will take reasonable steps to assist in the orderly transition of matters to you or to a new insurance broker. Claims and premium or other adjustments may arise after our relationship ends, and we have no responsibility to handle these things after our relationship ends. Such items are normally handled by the insurance broker serving you at the time the claim or adjustment arises. However, we will consider providing such services

after the termination of this agreement for mutually agreed additional compensation. Nevertheless, we will, process all remaining deposit premium installments on the policy(ies) in effect at the time of change.

## 6.0 Other Provisions

6.0 We do not tolerate unethical behavior either in our own activities or in those with whom we seek to do business. We will comply with all applicable laws, regulations, and rules.

6.1 In certain circumstances, the United States and other countries prohibit or restrict companies from conducting business in certain jurisdictions or with certain individuals or entities and can fine or otherwise penalize companies who conduct such business. The way these sanctions programs may affect a given insurance transaction depends on a number of complex factors including your ownership structure, control, location, and the nationality of your employees. We cannot advise you or insurers on the applicability of sanctions programs nor can we guarantee or otherwise warrant the position of any insurer under existing or future sanctions programs. You should seek legal advice on the potential applicability of sanctions as you deem appropriate. We will comply with all applicable sanctions programs and, where required by law, may take certain actions, including freezing funds held on behalf of parties and individuals covered by applicable sanctions.

6.2 Willis owns and retains all right, title, and interest in and to the following Willis Property: (i) all software, hardware, technology, documentation, and information provided by Willis in connection with the Claim and Risk Control Services; (ii) all ideas, know-how, methodology, models and techniques that may be developed, conceived, or invented by Willis during its performance under this Agreement; and (iii) all worldwide patent, copyright, trade secret, trademark and other intellectual property rights in and to the property described in clauses (i) and (ii) above. We expressly reserve all rights in the Willis Property.

6.3 We agree to communicate with each other from time to time by electronic mail, sometimes attaching further electronic data. By consenting to this method of communication you and we accept the inherent risks (including the security risks of interception of or unauthorized access to such communications, the risks of corruption of such communications and the risks of viruses or other harmful devices.) We each agree, however, to employ reasonable virus checking procedures on our computer systems, and to check all electronic communications received for viruses. You will also check that messages received are complete. In the event of a dispute neither of us will challenge the legal evidentiary standing of an electronic document, and the Willis system is deemed the definitive record of electronic communications and documentation.

6.4 Please note that our system blocks certain file extensions for security reasons, including, but not limited to, .rar, .text, .vbs, .mpeg, .mp3, .cmd, .cpl, .wav, .exe, .bat, .scr, .mpq, .avi, .com, .pif, .wma, .mpa, .mpg, .jpeg. Emails with such files attached will not get through to us, and no message will be sent to tell you they have been blocked. If you intend to send us emails with attachments, please verify with us in advance that our system will accept the proposed form of attachment.

# Willis

6.5 The Section headings in this Agreement are for convenience only and are not intended to define or limit the scope of the contents of such paragraphs. This Agreement may be executed in its original version or in any copy, counterpart, or other duplicate.

6.6 This Agreement supersedes any and all prior agreements between us regarding the insurance coverages and the services provided. This Agreement may not be amended or modified except by a written agreement executed by the parties.

6.7 The provisions of this agreement are severable, and, in the event any provision or portion of any provision is construed by any court of competent jurisdiction to be invalid, the same shall not invalidate any other provision of this agreement or the remainder of the enforceable portion of the provision.

6.8 This Agreement is governed by and construed in accordance with the laws of the state of Illinois without regarding to such state's choice of law rules. Any dispute shall be resolved in the appropriate state or federal courts located in such state.

## 7.0 Questions

7.1 If you have questions, please inform your Willis representative or call the head of our office. You may also call 1-866-704-5115, the toll-free number which Willis has established for client feedback.

City of Moline

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Willis of Illinois, Inc.

By:  \_\_\_\_\_

Title: *Vice President* \_\_\_\_\_

Date: *11-1-12* \_\_\_\_\_

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**Schedule A**

**POLICIES/COVERAGES**

Travelers Public Sector Program

All Risk Property Coverage including Equipment Breakdown  
Crime  
Inland Marine  
General Liability  
Liquor Liability  
Employee Benefits Liability  
Law Enforcement Liability  
Public Entity Management Liability  
Public Entity Employment-Related Practice  
Auto Liability  
Auto Physical Damage  
Garagekeepers Liability  
Excess Liability  
CyberFirst Liability

Travelers Inland Marine Division

Property – Docks

Safety National

Excess Workers Compensation

## Schedule B

### ACCOUNT MANAGEMENT SERVICES

#### A. General Services

- Negotiation and placement of all coverages as per your direction
- Provide ongoing coverage analysis and critique of policy language
- Documentation -- Issue cover notes and, when permitted by the insurer, binders and/or policies
- Premium billings
- Audits
- Administer surplus lines filings
- Provide market security updates as available
- Administer Certificates of Insurance
- Provide general market intelligence

#### B. Contractual Liability Services

- Review all contracts as presented by you and advise on insurance requirements relating to such contracts

#### C. Risk Services - Claim, Risk Control Service and Data Analytics

##### **Claim Reporting**

We will report to the carrier on your behalf the following claim types for which we are the broker of record at the time you report the claim to us:

- Litigated Liability
- Litigated workers compensation
- Property
- Executive Risk
- Environmental

This service includes

- Confirming receipt of reported claim by carrier
- Conducting coverage reviews of all new losses
- Reporting losses on all appropriate policies
- Reporting claims in accordance with any known reporting guidelines for client
- Sending acknowledgment to client confirming new loss report

##### **Claim Advocacy**

We will act as you claim advocate for all claims reported or for those lines of coverage where we are the current broker of record. This will include

- Addressing issues concerning applicable coverage
- Advising client on claims process expectations of carrier, policy coverage
- Assisting client in determining if incident should be reported
- Reviewing and assisting with coverage issues/rebuttals
- Reviewing and assisting in with response to reservation of rights
- Helping expedite claim handling process
- Negotiating reserves/settlements/salvage credits
- Analyzing contractual indemnity issues

**Claim Strategy reviews** – Telephonic or onsite reviews to determine appropriateness of claim strategy and course of action retrospectively and prospectively. Includes preparatory claim selection, organizing appropriate parties and all necessary follow up.

### **Advanced Claim Consulting Services**

- Carrier, TPA and Vendor Selection
- Contract Reviews Insurance Requirements.
- Claim Audits
- Legacy Claim Management
- Managed care and Wellness
- Business Impact Analysis
- Training / Education

**Willis Resolution Practice: Complex Claim** – Use of Global or national resources on complicated or contentious claims. Some examples of circumstances where our clients may want to engage this team may include but is not limited to:

- Claims involving offshore placements
- Multiple fatalities or claimants
- Policy limit losses or multiple policies
- Catastrophic events
- Complex or contentious coverage situations

**Critical Incident/Crisis Consulting** - Use of Global or national resources or external consultants contracted through us or recommended by us in order to assist our clients through a sudden and critical event affecting their operations.

### **Risk Control and Safety Services**

- Acquisition Due Diligence
- BI Studies
- Business Continuity Planning
- Carrier Compliance
- CAT Exposure Modeling & Analysis
- Construction Safety
- Security Risk Mitigation
- Environmental, Health & Safety Audits
- Facility Design
- Fire Protection Engineering
- Fleet Management
- Inspection Services
- Insurer Mediation
- Loss Projections
- Risk Quantification
- Pre Loss Planning
- Productivity Consulting
- Project Management
- Property Valuation
- Risk Exposure Database
- Risk improvement
- Risk Planning / Training



- Hazard Identification & Risk Analysis
- Risk Profiling

In the event you would like to engage Willis to provide any additional services please contact your Willis representative.

# CITY COUNCIL GOALS AND PRIORITIES – COMMITTEE UPDATES

## November 2012

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Case Creek Trails Airport Business Park .....	3
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Health Cost Containment.....	4
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### **Other Priorities:**

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### **RIVERFRONT – CAMPUSTOWN DEVELOPMENT**

Team: Ray Forsythe (Chair), Shawn Christ, Jeff Anderson, Chris Mathias, Pam Owens, Scott Hinton, Maureen Riggs, Lew Steinbrecher

#### Completed:

- RiverTech Boulevard: Environmental and permitting issues have been resolved and the contractor has resumed work on the project. Paving to begin December 1 and be completed by mid December; lighting along the entire boulevard, fencing along the railroad right-of-way and signage will be installed during this same time period.
- WIU-QC Riverfront Campus Phase II: Bids have been opened for Phase II and the contract is being finalized with construction expected to begin this year
- Riverfront Development: Staff and Renew continue to meet with Three Corners, LLC to discuss their progress on market analysis and preliminary concepts for the site

#### Upcoming:

- Negotiate and draft a development agreement with Three Corners, LLC

## **SOUTHPARK MALL REVITALIZATION**

Team: Ray Forsythe (Chair), Scott Hinton, Lew Steinbrecher, Maureen Riggs

### Completed:

- First reading of the ordinances for the Redevelopment Plan and Project, designation of the Project Area, and approving Tax Increment Financing for the SouthPark Mall area; second reading scheduled for November 27, 2012
- SouthPark Mall Task Force continues to meet on a regular basis with Macerich management and the redevelopment representative that Macerich intends to use
- City Administrator, City Engineer and Planning & Development Director met with the District Engineer and other staff engineers at IDOT regarding changes to the Mall access (an important key in redevelopment and tenant recruitment)

### Upcoming:

- Continue working with IDOT on preferred alternative for Mall access which will require both State and Federal Department of Transportation approval
- Continue working with Macerich and their representatives on facilitating plans for redevelopment

## **QUAD CITIES MULTI-MODAL STATION (MMS)**

Team: Lew Steinbrecher (Chair), Ray Forsythe, Maureen Riggs, Jeff Anderson

### Completed:

- Continued negotiations with Restoration St. Louis on the terms and conditions of a development agreement for the station, apartments on the upper floors of the former O'Rourke building and an adjoining 150-room hotel, until October 16, when Restoration St. Louis informed the City that it was withdrawing from the project, citing the difficulty of the financial structure and the overall financial feasibility of the various components
- City partnered with MetroLINK and Renew Moline to devise a strategy to solicit other developers and issued an Invitation for Letters of Interest on November 6 after discussing potential redevelopment opportunities for the station with several interested perspective private developers

### Upcoming:

- City, MetroLINK and Renew Moline will interview perspective developers in December 2012 and recommend a new preferred developer to City Council in January 2013
- MetroLINK will continue to work with the Federal Transit Administration to clearly define the public improvements to be undertaken with TIGER grant funds and matching State funds on the MMS site and within the former O'Rourke building that will constitute the passenger rail station component of this project
- City will continue to address parking alternatives to provide adequate parking for the project
- City will undertake engineering and design for the relocation of public water, sewer and storm drainage utilities necessary for the redevelopment of the MMS site

## **RIVERSIDE CEMETERY RETAINING WALL**

Team: Scott Hinton (Chair), Mike Waldron, Laura Duran

### Completed:

- Engineering consultant hired by Council to review existing conditions, make recommendations for repairs, and provide cost estimates for recommended repairs
- Report received from consultant and recommendations presented to Council
- Council directed staff to proceed with designing and constructing storm water drainage modifications to reduce erosion on hillside

### Upcoming:

- Assemble bid documents to solicit bids for storm water drainage improvements
- Accept bids, present to Council, award contract for storm water drainage improvements
- Construct storm water drainage improvements
- Council to make decision on timing and funding of retaining wall replacement

## **HAWK HALLOW RESIDENTIAL DEVELOPMENT**

Team: Lew Steinbrecher (Chair), Maureen Riggs, Ray Forsythe

### Completed:

- Council approved a term sheet with Irgens Development Partners, LLC in February 2012, providing for a one-year due diligence period to evaluate the potential of the property for residential development

### Upcoming:

- City maintains regular contact with Irgens to monitor the progress of the due diligence work, including Irgens' efforts to attract other private partners to invest in this senior living community development venture
- Irgens anticipates completing the due diligence on this property by the end of December 2012

## **CASE CREEK TRAILS AIRPORT BUSINESS PARK**

Team: Maureen Riggs (Chair), Scott Hinton, Ray Forsythe, Lew Steinbrecher

### Completed:

- Received and reviewed feasibility study from Airport's consultant who indicated that industrial spec space was the best potential use for the site at this time
- Met with Airport staff to formulate a plan to move forward with the project

### Upcoming:

- Market site to potential industrial spec users for east part of the development that has already been released by the FAA
- Work with Airport to install utilities to site

## **OLD MENARDS REUSE**

Team: Shawn Christ (Chair), Ray Forsythe, Scott Hinton, Joe Mason, Erica Williams

### **Completed:**

- Original buyer canceled the transaction, but a replacement buyer has been found
- A new redevelopment incentive agreement was drafted and City Council approved same at its November 13, 2012 meeting

### **Upcoming:**

- Developer/contractor to submit revised plans per staff review comments
- Issue building permits for work to commence

## **HEALTH COST CONTAINMENT**

Team: Alison Fleming (Chair), J.D. Schulte, Stephanie Hancks

### **Completed:**

- Met with committee to discuss ideas on containing short-term and long-term costs
- Directed health benefits consultant to research ideas and industry best practices
- Reviewed wellness data received from United Healthcare and identified areas to target and improve
- Met with United Healthcare to request additional reports on a regular basis and discussed ways in which they can help the committee reach the Council's goal

### **Upcoming:**

- Complete audit of dependents to ensure only those eligible have coverage
- Meet with on-site nurse to develop education based on employee and retiree needs, as well as data received from third party administrator
- Meet with disease and case management staff from United Healthcare to better utilize services available
- Organize wellness classes for employees and retirees

## **SALT STORAGE FACILITY**

Team: Doug House (Chair), Scott Hinton, Mike Waldron

### **Completed:**

- Council directed staff to proceed with design/bidding
- Construction of the facility is underway

### **Upcoming:**

- Complete the facility construction
- Incorporate the new facility into the snow plan

### **SANITATION ENTERPRISE FUND**

Team: Kathy Carr (Chair), Keith Verbeke, Mike Waldron

#### **Completed:**

- Fee recommendation presented to City Council as part of the 2013 budget review on October 23, 2012
- Ordinance to increase the fee by \$1.05 per month effective January 1, 2013 presented to City Council and adopted at Council's November 13, 2012 meeting

#### **Upcoming:**

- Staff will implement the adopted rate change

### **COUNTY-WIDE 911 DISPATCH CENTRE STUDY**

Team: Kim Hankins (Chair), Lew Steinbrecher

#### **Completed:**

- Bi-State Planning Commission was awarded \$150,000 for a feasibility study
- Rock Island County agencies involved met in October 2012 and reviewed a preliminary draft of an RFP for the study

#### **Upcoming:**

- Bi-State will issue a finalized RFP for the feasibility study upon release and receipt of the funding

### **PARKS AND CITY GROUNDS MAINTENANCE – CONTRACTING FOR SERVICES**

Team: Mike Waldron (Chair), Doug House, Rodd Schick, J.D. Schulte

#### **Completed:**

- Completed review of the three submitted proposals, September 2012
- Completed evaluation for proposed FY2013 costs versus in-house costing, October 2012
- Evaluation results indicate it is currently cheaper to keep work in-house for FY2013 – savings estimated at \$68,022.12
- Presented results to City Council at its November 6, 2012 meeting
- Council approved staff recommendation for a subsequent review in FY2014 for the FY2015 growing season

**NOTE:** This concludes this committee goal

## **CASE CREEK RESIDENTIAL DEVELOPMENT**

Team: Jeff Anderson (Chair), Lew Steinbrecher, Ray Forsythe, Scott Hinton, Maureen Riggs, Shawn Christ

### Completed:

- City staff and Milan staff have set a meeting date to discuss:
  - Project infrastructure costs and a revised phasing plan
  - Project plat revisions and finalizing utility plans
- 99 Percent draft of the Airport South District Plan is being finalized and a plan summary was presented to the Plan Commission; this plan provides more specific direction for development on and near the Case Creek site

### Upcoming:

- Provide final detailed development cost breakdown for proposed utility extensions, final grading, and related work to Milan officials for their evaluation
- Affirm respective development actions, project phasing, and responsibilities with Milan
- Review alternate development strategies if necessary
- Complete plat revisions, utility extensions, and final grading
- Recruit builders and market property
- Submit Airport South District Marketing and Development Plan to Plan Commission for public hearing and consideration

## **COMPREHENSIVE RIVERFRONT MASTER PLAN**

Team: Jeff Anderson (Chair), Ray Forsythe, Shawn Christ, Chris Mathias, Pam Owens

### Completed:

- City staff provided certifications, notices, and documents for potential project funding
- City and Renew staffs have worked with the Moline Foundation to pursue additional project funding
- City and Renew staffs have initiated discussions with IDOT regarding potential project funding

### Upcoming:

- Finalize public input process details with the Moline Foundation
- Based on overall project budget, the scope and timeline will be adjusted to reflect the final project budget
- Issue an RFQ/RFP to solicit interested planning consultants for participating in the project

## **SUCCESSION PLANNING AND TRAINING**

Team: Alison Fleming (Chair), Mike Waldron, Trevor Fisk, Ted Smith, Leah Miller

### **Completed:**

- Identified employees eligible to retire within the next 5 years
- Compiled list of training topics to be developed for new supervisors
- Identified positions requiring technical and professional certifications that are mandatory for certain City operations

### **Upcoming:**

- Assess key positions within the organization
- Survey department heads and supervisors to further identify current and future training needs
- Identify core competencies required for all positions within the City
- Schedule supervisory training based on survey results and committee recommendations

## **CITY HALL HVAC MECHANICAL SYSTEM**

Team: Doug House (Chair), Rich Westmoreland, Mike Waldron, Karen Powder

### **Completed:**

- Phase 1: completed the identified HVAC thermostat replacements in-house/by staff at a savings of \$43,410

### **Upcoming:**

- Phase 2: \$45,000 budgeted in 2013 for replacement of the boiler and chiller controls and Council Chamber fan coils; this work will commence in 2012 due to Phase I savings
- Phase 3: \$120,000 will be budgeted in 2014 for replacement of the 1988 chiller

## **OLDE TOWNE (BELGIUM BLUFFS) REVITALIZATION**

Team: Pam Owens (Chair), Rebecca Gall

### **Completed:**

- Staff submitted a Multiple Property Nomination to Illinois Historic Preservation Agency for the National Register of Historic Places with 712 18<sup>th</sup> Avenue as First Property Listed
- Staff sent mailings to all property owners and tenants of the following meetings and public hearing, attended the meetings and public hearing, and worked with property owners and tenants in responding to questions and concerns regarding the project: Special Service Area (SSA) Proposing Ordinance scheduled to the Committee-of-the-Whole September 4, 2012; informational meeting September 11, 2012; public hearing October 9, 2012
- SSA Proposing Ordinance pulled from October 16, 2012 Council agenda per City Administrator
- Staff held a final informational meeting for property owners and tenants to review and discuss the decision to pull the SSA project from the Council agenda, and advised that the SSA could move forward at a later date if supported by City Council and pursued by the community

### **Upcoming:**

- Due to the lack of a funding source, no further efforts will be made by City staff to establish a neighborhood revitalization program in the Olde Towne (Belgian Bluffs) District