

SERVICES AGREEMENT BETWEEN THE CITY OF VERNON AND AON RISK  
INSURANCE SERVICES WEST, INC. FOR ACTUARIAL ANALYSIS SERVICES

COVER PAGE

Contractor:	Aon Risk Insurance Services West, Inc.
Responsible Principal of Contractor:	William Deeb, Director of Public Entities
Notice Information - Contractor:	Aon Risk Insurance Services West, Inc. 707 Wilshire Boulevard, Suite 2700 Los Angeles, CA 90017 Attention: William Deeb, Director of Public Entities Telephone: (213) 630-3210
Notice Information - City:	City of Vernon 4305 Santa Fe Avenue Vernon, CA 90058 Attention: Jessica Alcaraz, Financial Services Administrator Telephone: (323) 583-8811 ext. 259
Commencement Date:	July 1, 2024
Termination Date:	June 30, 2027, with an option to extend an additional two (2) years after the expiration of the initial term with City approval
Consideration:	Total not to exceed \$21,750 (includes all applicable sales tax); and more particularly described in Exhibit B
Records Retention Period	Three (3) years, pursuant to Section 11.20

SERVICES AGREEMENT BETWEEN THE CITY OF VERNON AND AON RISK INSURANCE SERVICES WEST, INC. FOR ACTUARIAL ANALYSIS SERVICES

This Agreement is made between the City of Vernon, a California charter City and California municipal corporation ("City"), and Aon Risk Insurance Services West, Inc., a California corporation ("Contractor").

The City and Contractor agree as follows:

1.0 EMPLOYMENT OF CONTRACTOR. City agrees to engage Contractor to perform the services as hereinafter set forth as authorized by the City Council on June 4, 2024.

2.0 SCOPE OF SERVICES.

2.1 Contractor shall perform all work necessary to complete the services set forth in Contractor's proposal to the City ("Proposal") dated March 26, 2024, Exhibit "A", a copy which is attached to and incorporated into this Agreement by reference.

2.2 All services shall be performed to the satisfaction of City.

2.3 All services shall be performed in a competent, professional, and satisfactory manner in accordance with the prevailing industry standards for such services.

3.0 PERSONNEL.

3.1 Contractor represents that it employs, or will employ, at its own expense, all personnel required to perform the services under this Agreement.

3.2 Contractor shall not subcontract any services to be performed by it under this Agreement without prior written approval of City.

3.3 All of the services required hereunder will be performed by Contractor or by City approved subcontractors. Contractor, and all personnel engaged in the work, shall be fully qualified and authorized or permitted under State and local law to perform such services and shall be subject to approval by the City.

4.0 TERM. The Contractor shall commence the delivery of services on receipt of a written notice to proceed and shall complete the services on the schedule set forth in Exhibit "B" unless terminated at an earlier date pursuant to the provisions thereof.

5.0 COMPENSATION AND FEES.

5.1 Contractor has established rates for the City of Vernon which are comparable to and do not exceed the best rates offered to other governmental entities in and around Los Angeles County for the same services. For satisfactory and timely performance of the services, the City will pay Contractor in accordance with the payment schedule set forth in Exhibit "B" attached hereto and incorporated herein by reference.

5.2 Contractor's grand total compensation for the entire term of this Agreement, shall not exceed \$21,750 without the prior authorization of the City, as appropriate, and written amendment of this Agreement.

5.3 Contractor shall, at its sole cost and expense, furnish all necessary and incidental labor, material, supplies, facilities, equipment, and transportation which may be required for furnishing services pursuant to this Agreement. Materials shall be of the highest quality. The above Agreement fee shall include all staff time and all clerical, administrative, overhead, insurance, reproduction, telephone, air travel, auto rental, subsistence, and all related costs and expenses.

5.4 City shall reimburse Contractor only for those costs or expenses specifically approved in this Agreement, or specifically approved in writing in advance by City. Unless otherwise approved, such costs shall be limited and include nothing more than the following costs incurred by Contractor:

5.4.1 The actual costs of subcontractors for performance of any of the services that Contractor agrees to render pursuant to this Agreement, which have been approved in advance by City and awarded in accordance with this Agreement.

5.4.2 Approved reproduction charges.

5.4.3 Actual costs and/or other costs and/or payments specifically authorized in advance in writing and incurred by Contractor in the performance of this Agreement.

5.5 Contractor shall not receive any compensation for extra work performed without the prior written authorization of City. As used herein, "extra work" means any work that is determined by City to be necessary for the proper completion of the Project, but which is not included within the Scope of Services and which the parties did not reasonably anticipate would be necessary at the time of execution of this Agreement. Compensation for any authorized extra work shall be paid in accordance with the payment schedule as set forth in Exhibit "B" if the extra work has been approved by the City.

5.6 Licenses, Permits, Fees, and Assessments. Contractor shall obtain, at Contractor's sole cost and expense, such licenses, permits, and approvals as may be required by law for the performance of the services required by this Agreement. Contractor shall have the sole obligation to pay for any fees, assessments, and taxes, plus applicable penalties and interest, which may be imposed by law and which arise from or are necessary for the performance of the Services by this Agreement.

## 6.0 PAYMENT.

6.1 As scheduled services are completed, Contractor shall submit to the City an invoice for the services completed, authorized expenses, and authorized extra work actually performed or incurred according to said schedule.

6.2 Each such invoice shall state the basis for the amount invoiced, including a detailed description of the services completed, the number of hours spent, reimbursable expenses incurred and any extra work performed.

6.3 Contractor shall also submit a progress report with each invoice that describes in reasonable detail the services and the extra work, if any, performed in the immediately preceding calendar month.

6.4 Contractor understands and agrees that invoices which lack sufficient detail to measure performance will be returned and not processed for payment.

6.5 City will pay Contractor the amount invoiced within thirty (30) days after the City approves the invoice.

6.6 Payment of such invoices shall be payment in full for all services, authorized costs, and authorized extra work covered by that invoice.

7.0 CITY'S RESPONSIBILITY. City shall cooperate with Contractor as may be reasonably necessary for Contractor to perform its services; and will give any required decisions as promptly as practicable so as to avoid unreasonable delay in the progress of Contractor's services.

8.0 COORDINATION OF SERVICES. Contractor agrees to work closely with City staff in the performance of Services and shall be available to City's staff, consultants, and other staff at all reasonable times.

9.0 INDEMNITY. Contractor agrees to indemnify City, its officers, elected officials, employees and agents against, and will hold and save each of them harmless from, any and all actions, suits, claims, damages to persons or property, losses, costs, penalties, obligations, errors, omissions or liabilities (herein "claims or liabilities"), including but not limited to professional negligence, that may be asserted or claimed by any person, firm or entity arising out of or in connection with the work, operations or activities of Contractor, its agents, employees, subcontractors, or invitees, provided for herein, or arising from the acts or omissions of Contractor hereunder, or arising from Contractor's performance of or failure to perform any term, provision, covenant or condition of this Agreement, except to the extent such claims or liabilities arise from the gross negligence or willful misconduct of City, its officers, elected officials, agents or employees.

10.0 INSURANCE. Contractor shall procure and maintain for the duration of the

Agreement insurance against claims for injuries to persons or damage to property that may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representative, or employees. The policies shall state that they afford primary coverage.

10.1 Automobile Liability Insurance – Primary insurance coverage shall be written on ISO Business Auto coverage form for all owned, hired, and non-owned automobiles or any auto. The policy shall have a combined single limit of not less than one million dollars (\$1,000,000). If Contractor is transporting one or more non-employee passengers in the performance of the services, the automobile liability policy shall have a combined single limit of two million dollars (\$2,000,000). If Contractor owns no autos, a hired, non-owned auto endorsement to the General Liability policy is acceptable.

10.1.1 Contractor agrees to subrogate automobile liability resulting from performance under this agreement by agreeing to defend, indemnify, and hold harmless, the City, and its respective employees, agents, and City Council from and against all claims, liabilities, suits, losses, damages, injuries and expenses, including all costs and reasonable attorney's fees ("Claims"), which are attributable to any act or omission by the Contractor under the performance of the services. The City of Vernon, its directors, commissioners, officers, employees, agents, and volunteers must be endorsed on the policy as additional insureds and, under the Contractors' policy, there shall be a waiver of subrogation, and the policy shall be primary and non-contributory and will not seek contribution from the City's insurance.

10.2 Commercial General Liability Insurance – Contractor shall carry General Liability Insurance covering all operations performed by or on behalf of the Contractor providing coverage for bodily injury and property damage with a single limit of not less than one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) general aggregate limit written on an Insurance Services Office (ISO) Comprehensive General Liability "occurrence" Form CG 00 01 or its equivalent for coverage on an occurrence basis. The City of Vernon, its directors, commissioners, officers, employees, agents, and volunteers must be endorsed on the policy as additional insureds with respect to liability arising out of the Contractor's performance of this Agreement. The additional insured coverage under the Contractor's policy shall be primary and non-contributory and will not seek contribution from the City's insurance. The policy shall be endorsed to include a waiver of subrogation.

10.2.1 If Contractor intends to employ other contractors as part of the services

rendered, the City must approve and will establish the appropriate insurance requirements.

- 10.2.2 Contractor agrees to subrogate General Liability resulting from performance under this agreement by agreeing to defend, indemnify, and hold harmless, the City, and its respective employees, agents, and City Council from and against all claims, liabilities, suits, losses, damages, injuries and expenses, including all costs and reasonable attorney's fees ("Claims"), which are attributable to any act or omission by the Contractor under the performance of the services.

10.3 Professional Errors and Omissions Coverage in a sum of not less than one million dollars (\$1,000,000), where such risk is applicable. Applicable aggregate must be identified and claims history provided to determine amounts remaining under the aggregates. Contractor shall maintain such coverage for at least one (1) year after the termination of this agreement.

10.4 Umbrella Liability Insurance – An umbrella (over primary) may be used to comply with limits or other primary coverage requirements. When used, the umbrella policy shall apply to bodily injury/property damage and personal injury/advertising injury and shall include a "dropdown" provision providing primary coverage for any liability not covered by the primary policy. The umbrella policy shall have no additional exclusion or coverage difference from the primary policy. The coverage shall also apply to automobile liability.

10.5 Workers' Compensation/Employers Liability - Contractor shall comply with the applicable sections of the California Labor Code concerning workers' compensation for injuries on the job. Compliance is accomplished in one of the following manners:

- 10.5.1 Provide a copy of the permissive self-insurance certificate approved by the State of California; or
- 10.5.2 Secure and maintain in force a policy of workers' compensation insurance with statutory limits and Employer's Liability Insurance with a limit of one million dollars (\$1,000,000) per accident. The policy shall be endorsed to waive all rights of subrogation against City, its directors, commissioners, officers, employees, and volunteers for losses arising from performance of this Agreement or
- 10.5.3 If Contractor has no employees, it may certify or warrant to the City that it does not currently have any employees or individuals who are defined as "employees" under the Labor Code, and the requirement for Workers'

Compensation coverage will be waived by completing the waiver form provided by the City.

10.6 If Contractor maintains broader coverage and/or higher limits than the minimums shown above, City requires and shall be entitled to the broader coverage and/or the higher limits maintained by the Contractor. Any available insurance proceeds in excess of the specified minimum limits of insurance and coverage shall be available to the City.

10.7 Each insurance policy included in this clause shall be endorsed to state that coverage shall not be cancelled except after thirty (30) days prior written notice to City.

10.8 Insurance shall be placed with insurers with an A.M. Best rating of no less than A-VIII. Any self-insured retention or deductible in excess of \$25,000 must be approved in advance by the City. Any policies written on a claims-based basis must include a minimum of a 3-year tail.

10.9 Prior to the commencement of performance, Contractor shall furnish City with a certificate of insurance for each policy. Each certificate is to be signed by a person authorized by that insurer to evidence coverage on its behalf. The certificate(s) must be in a form approved by City. City may require complete, certified copies of any or all policies upon request.

10.10 Failure to maintain required insurance at all times shall constitute a default and material breach. In such event, Contractor shall immediately notify City and cease all performance under this Agreement until further directed by the City. In the absence of satisfactory insurance coverage, City may, at its option: (a) procure insurance with collection rights for premiums, attorney's fees, and costs against Contractor by way of set-off or recoupment from sums due to Contractor, at City's option; (b) immediately terminate this Agreement and seek damages from the Agreement resulting from said breach; or (c) self-insure the risk, with all damages and costs incurred, by judgment, settlement or otherwise, including attorney's fees and costs, being collectible from Contractor, by way of set-off or recoupment from any sums due to Contractor.

#### 11.0 GENERAL TERMS AND CONDITIONS.

##### 11.1 INDEPENDENT CONTRACTOR.

11.1.1 It is understood that in the performance of the services herein provided for, Contractor shall be, and is, an independent contractor, and is not an agent, officer or employee of City and shall furnish such services in its own manner and method except as required by this Agreement, or any applicable statute, rule, or regulation. Further, Contractor has and shall retain the right to exercise full control over the employment, direction, compensation and discharge of all persons employed by Contractor in the performance of the

services hereunder. City assumes no liability for Contractor's actions and performance, nor assumes responsibility for taxes, bonds, payments, or other commitments, implied or explicit, by or for Contractor. Contractor shall be solely responsible for, and shall indemnify, defend and save City harmless from all matters relating to the payment of its employees, subcontractors and independent contractors, including compliance with social security, withholding and all other wages, salaries, benefits, taxes, exactions, and regulations of any nature whatsoever.

11.1.2 Contractor acknowledges that Contractor and any subcontractors, agents or employees employed by Contractor shall not, under any circumstances, be considered employees of the City, and that they shall not be entitled to any of the benefits or rights afforded employees of City, including, but not limited to, sick leave, vacation leave, holiday pay, Public Employees Retirement System benefits, or health, life, dental, long-term disability or workers' compensation insurance benefits.

11.2 CONTRACTOR NOT AGENT. Except as the City may authorize in writing, Contractor and its subcontractors shall have no authority, express or implied, to act on behalf of or bind the City in any capacity whatsoever as agents or otherwise.

11.3 OWNERSHIP OF WORK. All documents and materials furnished by the City to Contractor shall remain the property of the City and shall be returned to the City upon termination of this Agreement. All reports, drawings, plans, specifications, computer tapes, floppy disks and printouts, studies, memoranda, computation sheets, and other documents prepared by Contractor in furtherance of the work shall be the sole property of City and shall be delivered to City whenever requested at no additional cost to the City. Contractor shall keep such documents and materials on file and available for audit by the City for at least three (3) years after completion or earlier termination of this Agreement. Contractor may make duplicate copies of such materials and documents for its own files or for such other purposes as may be authorized in writing by the City.

11.4 CORRECTION OF WORK. Contractor shall promptly correct any defective, inaccurate or incomplete tasks, deliverables, goods, services and other work, without additional cost to the City. The performance or acceptance of services furnished by Contractor shall not relieve the Contractor from the obligation to correct subsequently discovered defects, inaccuracy, or incompleteness.

11.5 RESPONSIBILITY FOR ERRORS. Contractor shall be responsible for its work and results under this Agreement. Contractor, when requested, shall furnish clarification and/or explanation as may be required by the City, regarding any services rendered under this Agreement at no additional cost to City. In the event that an error or omission attributable to

Contractor occurs, then Contractor shall, at no cost to City, provide all necessary design drawings, estimates and other Contractor professional services necessary to rectify and correct the matter to the sole satisfaction of City and to participate in any meeting required with regard to the correction.

11.6 WAIVER. The City's waiver of any term, condition, breach, or default of this Agreement shall not be considered to be a waiver of any other term, condition, default or breach, nor of a subsequent breach of the one waived. The delay or failure of either party at any time to require performance or compliance by the other of any of its obligations or agreements shall in no way be deemed a waiver of those rights to require such performance or compliance. No waiver of any provision of this Agreement shall be effective unless in writing and executed by a duly authorized representative of the party against whom enforcement of a waiver is sought.

11.7 SUCCESSORS. This Agreement shall inure to the benefit of, and shall be binding upon, the parties hereto and their respective heirs, successors, and/or assigns.

11.8 NO ASSIGNMENT. Contractor shall not assign or transfer this Agreement or any rights hereunder without the prior written consent of the City and approval by the City Attorney, which may be withheld in the City's sole discretion. Any unauthorized assignment or transfer shall be null and void and shall constitute a material breach by the Contractor of its obligations under this Agreement. No assignment shall release the original parties from their obligations or otherwise constitute a novation.

11.9 COMPLIANCE WITH LAWS. Contractor shall comply with all Federal, State, County and City laws, ordinances, rules and regulations, which are, as amended from time to time, incorporated herein and applicable to the performance hereof. Violation of any law material to performance of this Agreement shall entitle the City to terminate the Agreement and otherwise pursue its remedies. Further, if the Contractor performs any work knowing it to be contrary to such laws, rules, and regulations Contractor shall be solely responsible for all costs arising therefrom.

11.10 ATTORNEY'S FEES. If any action at law or in equity is brought to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which such party may be entitled.

11.11 INTERPRETATION.

11.11.1 Applicable Law. This Agreement shall be deemed an agreement and shall be governed by and construed in accordance with the laws of the State of

California. Contractor agrees that the State and Federal courts which sit in the State of California shall have exclusive jurisdiction over all controversies and disputes arising hereunder, and submits to the jurisdiction thereof.

11.11.2 Entire Agreement. This Agreement, including any exhibits attached hereto, constitutes the entire agreement and understanding between the parties regarding its subject matter and supersedes all prior or contemporaneous negotiations, representations, understandings, correspondence, documentation, and agreements (written or oral).

11.11.3 Written Amendment. This Agreement may only be changed by written amendment executed by Contractor and the City Administrator or other authorized representative of the City, subject to any requisite authorization by the City Council. Any oral representations or modifications concerning this Agreement shall be of no force or effect.

11.11.4 Severability. If any provision in this Agreement is held by any court of competent jurisdiction to be invalid, illegal, void, or unenforceable, such portion shall be deemed severed from this Agreement, and the remaining provisions shall nevertheless continue in full force and effect as fully as though such invalid, illegal, or unenforceable portion had never been part of this Agreement.

11.11.5 Order of Precedence. In case of conflict between the terms of this Agreement and the terms contained in any document attached as an Exhibit or otherwise incorporated by reference, the terms of this Agreement shall strictly prevail.

11.11.6 Construction. In the event an ambiguity or question of intent or interpretation arises with respect to this Agreement, this Agreement shall be construed as if drafted jointly by the parties and in accordance with its fair meaning. There shall be no presumption or burden of proof favoring or disfavoring any party by virtue of the authorship of any of the provisions of this Agreement.

11.12 TIME OF ESSENCE. Time is strictly of the essence of this agreement and each and every covenant, term, and provision hereof.

11.13 AUTHORITY OF CONTRACTOR. The Contractor hereby represents and warrants to the City that the Contractor has the right, power, legal capacity, and authority to enter into and perform its obligations under this Agreement, and its execution of this Agreement has been duly authorized.

11.14 ARBITRATION OF DISPUTES. Any dispute for under \$25,000 arising out of or relating to the negotiation, construction, performance, non-performance,

breach, or any other aspect of this Agreement, shall be settled by binding arbitration in accordance with the Commercial Rules of the American Arbitration Association at Los Angeles, California and judgment upon the award rendered by the Arbitrators may be entered in any court having jurisdiction thereof. The City does not waive its right to object to the timeliness or sufficiency of any claim filed or required to be filed against the City and reserves the right to conduct full discovery.

11.15 NOTICES. Any notice or demand to be given by one party to the other must be given in writing and by personal delivery or prepaid first-class, registered or certified mail, addressed as follows. Notice simply to the City of Vernon or any other City department is not adequate notice.

If to the City:

City of Vernon  
Attention: Financial Services Administrator  
4305 Santa Fe Avenue  
Vernon, CA 90058

If to the Contractor:

Aon Risk Insurance Services West, Inc.  
Attention: William S Deeb, Director of Public Entities  
707 Wilshire Boulevard, Suite 2700  
Los Angeles, CA 90017

Any such notice shall be deemed to have been given upon delivery, if personally delivered, or, if mailed, upon receipt, or upon expiration of three (3) business days from the date of posting, whichever is earlier. Either party may change the address at which it desires to receive notice upon giving written notice of such request to the other party.

11.16 NO THIRD PARTY RIGHTS. This Agreement is entered into for the sole benefit of City and Contractor and no other parties are intended to be direct or incidental beneficiaries of this Agreement and no third party shall have any right or remedy in, under, or to this Agreement.

11.17 TERMINATION FOR CONVENIENCE (Without Cause). City may terminate this Agreement in whole or in part at any time, for any cause or without cause, upon fifteen (15) calendar days' written notice to Contractor. If the Agreement is thus terminated by City for reasons other than Contractor's failure to perform its obligations, City shall pay Contractor a prorated amount based on the services satisfactorily completed and accepted prior to the effective date of termination. Such payment shall be Contractor's exclusive remedy for termination without cause.

11.18 DEFAULT. In the event either party materially defaults in its obligations hereunder, the other party may declare a default and terminate this Agreement by written notice to the defaulting party. The notice shall specify the basis for the default. The Agreement shall terminate unless such default is cured before the effective date of termination stated in such notice, which date shall be no sooner than ten (10) days after the date of the notice. In case of default by Contractor, the City reserves the right to procure the goods or services from other sources and to hold the Contractor responsible for any excess costs occasioned to the City thereby. Contractor shall not be held accountable for additional costs incurred due to delay or default as a result of Force Majeure. Contractor must notify the City immediately upon knowing that non-performance or delay will apply to this Agreement as a result of Force Majeure. At that time Contractor is to submit in writing a Recovery Plan for this Agreement. If the Recovery Plan is not acceptable to the City or not received within 10 days of the necessary notification of Force Majeure default, then the City may cancel this order in its entirety at no cost to the City, owing only for goods and services completed to that point.

11.19 TERMINATION FOR CAUSE. Termination for cause shall relieve the terminating party of further liability or responsibility under this Agreement, including the payment of money, except for payment for services satisfactorily and timely performed prior to the service of the notice of termination, and except for reimbursement of (1) any payments made by the City for service not subsequently performed in a timely and satisfactory manner, and (2) costs incurred by the City in obtaining substitute performance. If this Agreement is terminated as provided herein, City may require, at no additional cost to City, that Contractor provide all finished or unfinished documents, data, and other information of any kind prepared by Contractor in connection with the performance of Services under this Agreement. Contractor shall be required to provide such document and other information within fifteen (15) days of the request.

11.19.1 Additional Services. In the event this Agreement is terminated in whole or in part as provided herein, City may procure, upon such terms and in such manner as it may determine appropriate, services similar to those terminated.

11.20 MAINTENANCE AND INSPECTION OF RECORDS.

The City, or its authorized auditors or representatives, shall have access to and the right to audit and reproduce any of the Contractor's records to the extent the City deems necessary to insure it is receiving all money to which it is entitled under the Agreement and/or is paying only the amounts to which Contractor is properly entitled under the Agreement or for other purposes relating to the Agreement.

The Contractor shall maintain and preserve all such records for a period of at least three (3) years after termination of the Agreement.

The Contractor shall maintain all such records in the City of Vernon. If not, the Contractor shall, upon request, promptly deliver the records to the City of Vernon or reimburse the City for all reasonable and extra costs incurred in conducting the audit at a location other than the City of Vernon, including, but not limited to, such additional (out of the City) expenses for personnel, salaries, private auditors, travel, lodging, meals, and overhead.

11.21 CONFLICT. Contractor hereby represents, warrants, and certifies that no member, officer, or employee of the Contractor is a director, officer, or employee of the City of Vernon, or a member of any of its boards, commissions, or committees, except to the extent permitted by law.

11.22 HEADINGS. Paragraphs and subparagraph headings contained in this Agreement are included solely for convenience and are not intended to modify, explain or to be a full or accurate description of the content thereof and shall not in any way affect the meaning or interpretation of this Agreement.

11.23 ENFORCEMENT OF WAGE AND HOUR LAWS. Eight hours labor constitutes a legal day's work. The Contractor, or subcontractor, if any, shall forfeit twenty-five dollars (\$25) for each worker employed in the execution of this Agreement by the respective Contractor or subcontractor for each calendar day during which the worker is required or permitted to work more than 8 hours in any one calendar day and 40 hours in any one calendar week in violation of the provisions of Sections 1810 through 1815 of the California Labor Code as a penalty paid to the City; provided, however, work performed by employees of contractors in excess of 8 hours per day, and 40 hours during any one week, shall be permitted upon compensation for all hours worked in excess of 8 hours per day at not less than 1½ times the basic rate of pay.

11.24 EQUAL EMPLOYMENT OPPORTUNITY PRACTICES. Contractor certifies and represents that, during the performance of this Agreement, it and any other parties with whom it may subcontract shall adhere to equal employment opportunity practices to assure that applicants, employees and recipients of service are treated equally and are not discriminated against because of their race, religion, color, national origin, ancestry, disability, sex, age, medical condition, sexual orientation or marital status. Contractor further certifies that it will not maintain any segregated facilities. Contractor further agrees to comply with The Equal Employment Opportunity Practices provisions as set forth in Exhibit "C".

[Signatures Begin on Next Page].

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Commencement Date stated on the cover page.

City of Vernon, a California charter City  
and California municipal corporation

By: \_\_\_\_\_  
Carlos Fandino, City Administrator

ATTEST:

\_\_\_\_\_  
Yonnie Parker, Deputy City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Zaynah N. Moussa,  
City Attorney

Aon Risk Services West, Inc., a California  
corporation

By: William S. Deeb  
Name: William S. Deeb  
Title: Director of Public Entities

By: Bing Buenafe  
Name: Bing Buenafe  
Title: Vice President

EXHIBIT A  
CONTRACTOR'S PROPOSAL



# City of Vernon

Aon Risk Insurance Services West, Inc.  
Proposal for Actuarial Services

Issue Date – 26 March 2024





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    References .....5

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## Introduction

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Aon Risk Insurance Services West, Inc. (AON) is pleased to submit this proposal to provide services to City of Vernon (Client) for actuarial services of the workers compensation and liability programs.

The broad scope of work is to develop estimated outstanding liabilities and funding amounts for future fiscal years. This will provide important data for financial audit statements (including Governmental Accounting Standards Board [GASB] Statement No. 10 compliance) and strategic long-range planning.

The conclusions of our work will be provided in a written report. The report will have an executive summary designed to be easily understood by non-actuaries. It will contain a technical section with sufficient information to support all conclusions and to facilitate future analysis.

## Scope of Work

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The following is our understanding of the ultimate goals of the project and will serve as a Scope of Work as of June 30, 2024. For consecutive studies, please roll forward years below.

1. **Estimate Outstanding Losses.** Estimate outstanding losses (including allocated loss adjustment expenses [ALAE] and unallocated loss adjustment expenses [ULAE]) as of June 30, 2024, June 30, 2025, and June 30, 2026.

The estimated outstanding losses are the cost of unpaid claims. The estimated outstanding losses include case reserves, the development of known claims and incurred but not reported (IBNR) claims. ALAE are the direct settlement expenses for specific claims, primarily legal expenses. ULAE are general claims administration expenses. The estimated outstanding losses will be provided in both discounted and undiscounted basis, based on the discount rate provided by the Client.

2. **Project Ultimate Limited Losses.** Project ultimate limited losses (including ALAE) for 2024/25 through 2025/26

The projected ultimate limited losses are the accrual value of losses with accident dates in 2024/25 through 2025/26, regardless of report or payment date. The amounts are limited to the indicated self-insured retentions. Projected ultimate losses will be provided in both discounted and undiscounted basis, based on the discount rate provided by the Client.



3. **Project Losses Paid.** Project losses paid during each fiscal year from 2024/25 through 2025/26.  
The projected losses paid are the claim disbursements during each fiscal year from 2024/25 through 2025/26, regardless of accident or report date. The amounts are limited to the self-insured retention.
4. **Claims Breakdown by Department** A separate breakdown by department of Liability and Workers' Compensation Claims by Department over the last 4 fiscal years by dollar and percentage of claims
5. **Size of Loss Distribution Analysis.** Analyze the distribution of losses in various layers.
6. **Affirm GASB Statement No. 10.** Provide a statement affirming the conclusions of this report are consistent with Governmental Accounting Standards Board (GASB) Statement No. 10.  
These actuarial services will result in the production of the following deliverables: The conclusions of our work will be in a written report for Client. The report will be designed to be easily understood by non-actuaries. It will contain a technical section with sufficient information to support all conclusions and facilitate future analysis.

#### **Project Approach**

1. Submit a written data request to Client.
2. Gather and compile data provided by Client. We will review the data for reasonableness. Anomalies(if any) will be identified. If requested, we can obtain data directly from the claims administration firm(s).
3. Discuss large individual claims with Client. Large claims can have a disproportionate impact upon the actuarial analysis. We want to be certain we fully understand the large claims.
4. Develop estimates of claim costs for 2024/25 and 2025/26.

The estimates will be based on Client 's own data to the extent it is a good predictor of future activity. To the extent Client's loss data is not a good predictor, our projections will reflect other similar programs with which we are familiar.

Based on our experience, we have found that insurance industry statistics are often not applicable to public entities. This is because insurance industry statistics reflect a wide range of diverse risks (public entities are much more homogeneous). Public entities tend to manage claims very carefully. Therefore, reporting and payout patterns differ from insurance industry statistics.



For the above reasons, we will apply insurance industry statistics judiciously.

Our estimates will be developed based on generally accepted actuarial practices and will be consistent with GASB Statement No. 10. We will consider at least the following actuarial methodologies:

- Paid loss development
- Reported incurred loss development
- Case reserve analysis
- Reported claims development
- Frequency and severity analysis
- Loss rate analysis
- Bornhuetter-Ferguson analysis
- Increased limits analysis

5. Based on projected losses and expected claims disbursement patterns, project investment income.

6. Prepare a draft report of our conclusions and recommendations.

The conclusions and recommendations will be clear, concise, and easily understood by non-actuaries. The report will include charts, graphs, and other documentation sufficient to support all conclusions and recommendations. Further discussion of the report appears in the “Deliverables,” Section of this proposal.

7. Discuss the draft report with Client by telephone. Based on new facts ascertained in our discussions, we will revise the draft report and issue a final report.

#### **Deliverables**

Client will receive a thorough, yet easy-to-understand report. The technical section will include the following information to support all conclusions and facilitate future analysis.

- **Background.** Relevant details concerning the history, administration, claims handling, retention levels and excess coverage will be provided.
- **Data Sources.** Descriptions of the loss and exposure data provided by Client and its administrators will be provided. Individual claims requiring special treatment in the analysis will be cited, including an explanation of how we treated the claims in the analysis. If industry data is used to supplement our



analysis, a description of the data source will be provided; we will explain how we incorporated the industry data into the analysis.

- **Methods Used.** Descriptions of the various actuarial methods used in the analysis will be provided. We will also explain the considerations associated with selecting the methods as well as the underlying assumptions.
- **Exhibits.** The exhibits will show the details of our analysis and support all conclusions stated in the Executive Summary.
- Our reports are practical, useful documents, frequently referred to by our clients over months until they are updated by ensuing

#### **Timeline**

	<b>Major Activity (1)</b>	<b>Timing (2)</b>
(A)	Project kickoff	Within two (2) days of notification to proceed
(B)	Submit written data request	Within two (2) days of project kickoff
(C)	Aon submits draft report	Within four to six (4-6) weeks of receipt of data,
(D)	Final report	Within two days of Client's approval of the draft

## References

Entity (1)	Contact Name (2)	Phone Number (3)
City of Pasadena	Ms. Arlene Gallardo Risk and Insurance Administrator	(626) 744-6772 agallardo@cityofpasadena.net
City of Minneapolis	Ms. Lori Johnson Deputy Chief Finance Officer	(612) 673-2918 lori.johnson@minneapolismn.gov
City of San Buenaventura	Ms. Lisa Oland Risk Manager	(805) 654-7760 loland@cityofventura.ca.gov
City of Tampa	Mr. Greg Mazer Safety and Loss Prevention Supervisor	(813) 274-5747 Greg.Mazer@tampagov.net
City of Mountain View	Ms. Claudia Koob, ARM Risk Manager	(650) 903-6060 Claudia.koob@mountainview.gov
City of Houston	Ms. Carla Coleman, CPM, IPMA-SCP Chief Finance Officer	(832) 393-6141 carla.coleman@houstontx.gov
County of Los Angeles	Ms. Rhonda Aven-Haggenmiller Chief Program Specialist	(213) 738-2214 RAven-Haggenmiller@ceo.lacounty.gov or snyblom@ceo.lacounty.gov
County of San Mateo	Mr. Scott Johnson Risk Manager	sjohnson@smcgov.org
County of Brevard	Ms. Julie Jones Risk Manager	(321) 617-7247 julie.jones@brevardfl.gov
Harris County	Ms. Bridgett Sweeny Harris County Human Resources & Risk Management	(713) 274-1153 bridgett.sweeny@bmd.hctx.net
Tarrant County Texas	Mr. Travis Yarbrough Risk Manager	thyarbrough@tarrantcounty.com (817) 884-2645
El Paso County, Colorado	Mr. Rick Bransford Human Resources & Risk Management	(719) 520-7488 rickybransford@elpasoco.com
State of Nevada	Ms. Nancy Katafias Manager	(775) 684-1252 nkatafias@ag.nv.gov
State of Hawaii	Ms. Ladea M. Nash Accounting System Manager	(808) 586-0606 ladea.m.nash@hawaii.gov

## Project Team and Roles

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Colleagues expected to work on this project include:

**Ziruo Wang, FCAS, MAAA.** Mr. Wang, a senior actuarial consultant, will lead the project. He is Fellow of the Casualty Actuarial Society and a Member of the American Academy of Actuaries. Mr. Wang leads and supports diverse project teams and engagements across multiple geographies, including estimating unpaid claims for commercial insureds and issuing statements of actuarial opinion for self-insured entities, projecting total cost of risk to optimize risk transfer purchasing decisions, allocating the cost of risk and equities to members for pools, and other ad hoc risk/actuarial projects. Mr. Wang leads over 70 public entity Clients every year. These Clients include cities, counties, states, school districts, universities, and various risk pools for public sector.

**Tracy Fleck, ACAS, MAAA.** Ms. Fleck, a senior actuarial consultant, is an Associate of the Casualty Actuarial Society and Member of the American Academy of Actuaries. Ms. Fleck has experience providing reserve and funding analysis for self-insured programs, concentrating on public entity workers compensation, general liability, automobile liability, and property. Ms. Fleck's expertise extends to forecasting analyses, cost allocation as well as financial benchmarking for self-insured public entities. She leads and peer reviews over 100 public sector projects annually.

**Ruqaya Alloo.** Ms. Alloo, an actuarial analyst will assist with the actuarial analysis. Ms. Alloo has experience in loss reserving and funding studies for self-insured workers compensation, automobile liability, general liability, and property programs.



## Professional Fees

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AON's fee for the actuarial service are proposed below, these fees include telephone, postage, and photocopying expenses.

Item	Fees
Actuarial study as of June 30, 2024	\$7,250
Actuarial study as of June 30, 2025	\$7,250
Actuarial study as of June 30, 2026	\$7,250
<b>Total</b>	<b>\$21,750</b>

### Duration

AON's services for this proposal begin on July 1, 2024 and end on June 30, 2027. The contract may be extended beyond the duration noted with formal written approval amending this contract. Services may not begin nor payment authorized prior to execution of this proposal by an authorized signatory of the Client.

### Payment

AON will invoice the Client at project completion.

The invoice shall be due and payable to AON within thirty (30) days following the Client's receipt of invoice.

## Project Risks

AON believes several risk factors exist that could materially affect timelines for deliverables or AON's ability to develop the analysis proposed herein. These include, but are not limited to:

- Lack of availability of key project personnel
- Misunderstanding of scope definition and success criteria
- Delays in providing information required for the proposed analysis (if any additional information not already held by AON is required)
- Changes in project scope, which can be made with a Change in Project Scope document agreed to by both Client and AON – AON notes that changes in project scope could potentially affect the engagement fee

In the event the project is cancelled by the Client prior to the project start date, AON reserves the right to charge for project start-up costs incurred.

## Representations and Warranties

AON represents and warrants to Client that:

AON is an Illinois corporation duly organized, validly existing and in good standing under the laws of the State of Illinois, and AON has the full and unrestricted power and authority to execute, deliver and perform this proposal and such execution, delivery and performance have been duly authorized by all necessary action on the part of AON and the proposal, when executed and delivered by AON in accordance with the provisions hereof, will be a legal, valid and binding obligation of AON, enforceable against AON in accordance with its terms;

AON's execution and performance of this proposal or any Schedule shall not constitute a breach or default under any contract, instrument or agreement to which AON is a party or by which AON is bound and shall not violate or interfere with the rights of any other party;

The Services performed and the Deliverables tendered hereunder shall be of professional quality, conforming to generally accepted industry standards and practices for similar services and deliverables. The Services as delivered to Client will not infringe on any copyright, patent, trade secret, or other proprietary right held by any third party. THIS WARRANTY SHALL BE IN LIEU OF AND EXCLUDES ALL OTHER IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR OTHERWISE;

The Services to be provided by AON are not of a legal nature, and AON shall in no event give, or be required to give, any legal opinion or provided any legal representation to Client. Aon recommends that Client seek the review of the Client's legal or tax advisors before taking action based upon AON's statements.

The Services will be performed only by AON and its bona fide employees, unless and to the extent Client has given its written consent to the subcontracting of any portion of the Services.



The Services will be performed in strict accordance with the requirements of this proposal, applicable professional standards and laws.

AON is not debarred, proposed for debarment, suspended or otherwise ineligible for participation in any federal procurement or non-procurement transaction.

## Relationship

Consultant's employees assigned to perform Services hereunder shall be and remain employees of Consultant whether Services are performed at Consultant's facilities or Client's facilities and shall not for any purpose be considered Client's employees. Consultant shall be solely responsible for the payment of salaries and all matters relating thereto, including the withholding and/or payment of all payroll taxes, workmen's compensation, unemployment compensation, public liability, insurance-related benefits, vacation pay, holiday pay and all such additional legal requirements applicable to Consultant's employees.

Consultant's relationship to Client hereunder is one of independent contractor and nothing contained in this proposal or any Schedule shall be construed to imply that Consultant or any of Consultant's officers, employees or agents is an employee or agent of Client for any purpose. Consultant shall have no right, power or authority to create any obligation, expressed or implied, or to make any representation on behalf of Client, except as may be expressly authorized from time to time by Client in writing and then only to the extent of such authorization. Nothing herein is to imply an agency, joint venture or partner relationship between the parties.

## Confidentiality

"Confidential Information" shall mean various trade secrets and confidential information of Client and/or a third party who has provided such information to Client, including, but not limited to any process, system, formula, pattern, model, device, compilation, or other information, information concerning manufacturing methods, operational methods, business and technology plans, distribution strategies, sales, costs, pricing, marketing, customers, the terms and conditions of this proposal, and research and development of Client or any information that Client deems to be confidential to its business unless same: (i) was already in AON's possession prior to its receipt from Client without restriction on its use or disclosure; (ii) is or becomes available to the general public through no act or fault of AON; or (iii) is rightfully disclosed to AON by a third party, and to the best of AON's knowledge, without restriction on its use or disclosure; or (iv) is demanded by any state or federal government agency or by court order provided that Client receives prior written notice of such disclosure.



AON will honor confidentiality regarding any data Client provides to AON during this engagement as well as any analysis conducted or conclusions derived from such data. Except as required by the Scope of Work, no Client-identifiable data shall be shared with parties other than AON or Client unless Client provides consent, which consent needs to be provided on a case-by-case basis, or compliance with any validly issued subpoena or court order is required. In turn, the techniques utilized and results produced by AON will not be shared by Client with any other party that could utilize the information to gain a competitive advantage against AON. AON will be responsible for any breach of these obligations by its employees or agents. AON agrees to take all necessary steps to protect any Confidential Information with the same degree of care that AON uses to protect its own confidential and proprietary information of like kind, but in no event less than a reasonable degree of care.

Upon any expiration or termination of this proposal and upon Client's written request, AON will promptly return to Client or destroy the originals and all copies of all Confidential Information (which destruction shall include, without limitation, the process of expunging, to the extent reasonably practicable, all such Confidential Information from any computer, hard drive, word processor, server, backup tape, or other electronic device containing such Confidential Information), as well as any equipment or other items, furnished by Client to AON. Notwithstanding the foregoing, AON may retain one archival copy of the Confidential Information in its confidential files for the purpose of complying with applicable laws or established company procedure regarding the preservation of business records.

AON gathers data containing information about our customers. This information may be shared among AON affiliated businesses. In addition to being used to provide services to AON customers, the information may be used for business administration, business reporting, statistical analysis, marketing of AON products or services and providing consulting or other services to companies for which AON or its affiliates may receive remuneration. AON takes appropriate measures to protect the privacy and confidentiality of our AON customers as well as to comply with applicable laws and regulations. AON may use or disclose information about our customers if we are required to do so by law, AON policy, pursuant to legal process or in response to a request from law enforcement authorities or other government officials.

Due to the global nature of services provided by AON, the information/data you provide may be transmitted, used, stored and otherwise processed outside of the country where you submitted that information. If you have questions about AON data processing, please contact your AON consultant.

The requirements of this Confidentiality provision shall survive the termination of this proposal.

## **Client Responsibility**

AON and Client acknowledge that the reliability of our services depends upon the accuracy and completeness of the data supplied to AON. Client accepts sole responsibility for errors or delays in services solely resulting from inaccurate or incomplete data supplied to AON, and acknowledges and agrees that any additional services thereby necessitated will result in additional fees payable by Client to AON. AON must receive promptly the information to deliver the Services as well as the Client's prompt updates to any information where there has been a material change which may affect the scope



or delivery of the Services, such as a change in the nature of the Client's products or equipment, systems, and/or processes that are the focus of AON's service(s).

Client agrees to provide its project data in the form agreed upon. Client understands and agrees that if data is submitted in a form other than agreed upon, Client shall pay AON, in addition to the fees set forth in the proposal the reasonable expenses incurred to merge/convert the data to the agreed upon form so long as AON has informed Client of such additional expenses and Client has consented in writing to those additional expenses prior to AON incurring such.

## **Limitation of Liability**

Both parties further agree that AON and its personnel shall be released to the fullest extent permitted by applicable law from any and all claims, liabilities, costs and expenses attributable to any knowing misrepresentation by Client, its directors, its officers and/or its employees except for claims attributable solely to the negligence of AON. In no event shall AON be liable to the Client, whether in tort (including negligence), contract or otherwise for any amount, in the aggregate, in excess of three times the total fees paid by the Client under this proposal, except to the extent fully and finally determined by a court of competent jurisdiction to have resulted from the willful misconduct or fraudulent behavior of AON, and neither AON nor Client shall be liable to the other for any consequential, indirect, lost profit, lost opportunity or similar damages relating to AON's services provided under this proposal.

As AON and Client intend the aforementioned limitation of liability clause to be enforceable, they agree that any over breadth in the clause shall not itself render the clause void, but rather, the clause shall be interpreted and enforceable to the fullest extent permitted by the law of the applicable state.

In addition, the Client agrees to indemnify and hold AON, its directors, officers and employees, harmless from and against any and all claims, suits, and demands, and the liabilities, costs and expenses resulting therefrom ("Claims"), that AON may incur relating to the Services under this proposal, except to the extent such Claims are fully and finally determined by a court of competent jurisdiction to have resulted from willful misconduct or fraudulent acts or omissions of AON in connection with such services.

This Liability Limitation shall apply to the Client and extend to the Client's parent(s), affiliates, subsidiaries, and their respective directors, officers, employees and agents (hereinafter, each a "Client Group Member" and together, "Client Group") wherever located that seek to assert claims against AON, and its parent(s), affiliates, subsidiaries and their respective directors, officers, employees and agents (each an "Aon Group Member" and together, "Aon Group"). Nothing in this Liability Limitation section implies that any Aon Group Member owes or accepts any duty or responsibility to any Client Group Member.

If the Client or any Client Group Member asserts any claims or makes any demands against AON or any Aon Group Member for a total amount in excess of this Liability Limitation, then the Client agrees to indemnify AON for any and all liabilities, costs, damages and expenses, including attorneys' fees, incurred by AON or any Aon Group Member that exceeds this Liability Limitation.

## No Solicitation

The parties agree that during the term of each Schedule issued pursuant to this proposal and for a period of one (1) year after the termination of each such Schedule, neither party shall directly or indirectly solicit for employment, without the permission of the other party, any person employed then or within the preceding one (1) year if such person performed the Services under such Schedule; provided that, (a) general solicitations of employment for employees published in a journal, newspaper or other publication of general circulation and not directed specifically toward one or more employees of the other party and any resulting offer to hire shall not be deemed to be in violation of this Section, and (b) this Section shall not prevent a party from offering to employ or employing any employees of the other party who contacts the hiring party on his or her own initiative with no direct or indirect encouragement by the hiring party.

## Termination

At any time, the parties may terminate the Services under this proposal or under any Schedule by giving the other thirty (30) days written notice, in which event Consultant shall be reimbursed for Services performed prior to the effective date of such termination.

Either party may terminate this proposal by written notice to the other party if the other party (i) breaches or is in default of any material obligation under this proposal which default is incapable of cure or which, being capable of cure, has not been cured with ten (10) days after receipt of notice of such default or (ii) becomes insolvent, makes a general assignment for the benefit of creditors, files a voluntary petition for protection under bankruptcy or insolvency law, or has wound up or liquidated its business.

Provisions of this proposal which by their express terms extend beyond expiration or termination or which by their nature so extend to give effect to their meaning will survive and continue in full force and effect after any expiration or termination of this proposal.

## Force Majeure

The performance by either party or their approved subcontractors hereunder shall be subject to delays caused by an Act of God, war, riot, fire, explosion, accident, flood, sabotage, inability to obtain fuel or power, but not due to any act of the party claiming the force majeure event, new governmental laws, regulation or orders, acts or inaction of the other party, or any other cause beyond the reasonable control of a party.

In the event of any such delay, the times for performance will be extended accordingly for additional period(s) of delay. In the event, however that any such delay lasts for a period of forty-five (45) days, then either party may terminate this proposal immediately. In the event of such non-performance, the party which was delayed in its performance shall make reasonable efforts to promptly resume its performance hereunder.

## Ownership

All data supplied by Client shall be and remain at all times the sole and exclusive property of Client.

AON will provide the Client with a report and/or certain other tangible items specified as deliverables ("Deliverables"), set forth in the "Scope of Services" section of the attached Proposal. The Deliverables, upon full and final payment to AON, shall become the property of the Client, except that AON owns or has rights to all products, processes, concepts, know-how, techniques, software, and methodology used, and records created or maintained, (collectively "Prior Works") for the production of the Deliverables, and Client shall gain no rights in or to them. To the extent that any Prior Works are contained in the Deliverables, AON hereby grants the Client, upon full and final payment to AON, a royalty-free, fully paid-up, worldwide, non-exclusive license to use such Prior Works in connection with the Deliverables.

Services and Deliverables are for the exclusive use of Client and are not to be relied upon by third parties.

Client acknowledges and agrees that AON is in the business of providing consulting services to clients utilizing AON's Prior Works, and nothing contained herein shall prohibit AON from using any of AON's general knowledge or knowledge acquired under this proposal to perform similar services for others.

## Miscellaneous

Should any provisions of this proposal be held unenforceable or in conflict with the law of any jurisdiction, the validity of the remaining provisions shall not be affected by such holding. Consultant shall not assign, delegate, convey, encumber or otherwise dispose of this proposal or any rights or obligations hereunder without the prior express written consent of Client. This proposal is fully assignable by Client and shall inure to the benefit of any assignee or other legal successor in interest of Client herein.

Each party agrees to waive its right to a trial by jury in any lawsuit or other legal proceeding against the other party and/or its parent(s), affiliates, or subsidiaries, in connection with, arising out of or relating to this proposal or any services provided to the Client by Consultant or its affiliates. In any such action or legal proceeding, neither party shall name, as a defendant any individual employee, officer or director of the other party or its parent(s), affiliates or subsidiaries.

This proposal shall be binding upon the successors, and/or legal representatives of the parties.

## Entire Proposal

This proposal contains the entire understanding and agreement between the parties with respect to the subject matter described herein and supersedes and replaces all prior and contemporaneous agreements, whether written or oral, as to such subject matter. This proposal may be modified only by a written agreement signed by both parties. This proposal shall be governed by and construed in accordance with the laws of the State without regard for its conflicts of law rules.



## Proposal Acceptance

By executing this proposal, the Client has read all of the terms and conditions stated herein and fully understands their contents. The execution of this proposal confirms the Client's understanding and acceptance of those terms.

The signing of this proposal by an authorized signatory of the Client indicates that the Client hereby authorizes AON to proceed with the services as described herein. This document should be returned to Ruqaya Alloo.

This proposal is valid until October 30, 2023.

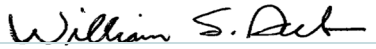
	Client	AON
Signature:		
Printed Name:		William Deeb
Title:		Director of Public Entities Aon Risk Insurance Services West, Inc.
Date:		26 March 2024

EXHIBIT B  
SCHEDULE



## Professional Fees

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AON's fee for the actuarial service are proposed below, these fees include telephone, postage, and photocopying expenses.

Item	Fees
Actuarial study as of June 30, 2024	\$7,250
Actuarial study as of June 30, 2025	\$7,250
Actuarial study as of June 30, 2026	\$7,250
<b>Total</b>	<b>\$21,750</b>

### Duration

AON's services for this proposal begin on July 1, 2024 and end on June 30, 2027. The contract may be extended beyond the duration noted with formal written approval amending this contract. Services may not begin nor payment authorized prior to execution of this proposal by an authorized signatory of the Client.

### Payment

AON will invoice the Client at project completion.

The invoice shall be due and payable to AON within thirty (30) days following the Client's receipt of invoice.

EXHIBIT C

EQUAL EMPLOYMENT OPPORTUNITY

PRACTICES PROVISIONS

- A. Contractor certifies and represents that, during the performance of this Agreement, the contractor and each subcontractor shall adhere to equal opportunity employment practices to assure that applicants and employees are treated equally and are not discriminated against because of their race, religious creed, color, national origin, ancestry, handicap, sex, or age. Contractor further certifies that it will not maintain any segregated facilities.
- B. Contractor agrees that it shall, in all solicitations or advertisements for applicants for employment placed by or on behalf of Contractor, state that it is an "Equal Opportunity Employer" or that all qualified applicants will receive consideration for employment without regard to their race, religious creed, color, national origin, ancestry, handicap, sex or age.
- C. Contractor agrees that it shall, if requested to do so by the City, certify that it has not, in the performance of this Agreement, discriminated against applicants or employees because of their membership in a protected class.
- D. Contractor agrees to provide the City with access to, and, if requested to do so by City, through its awarding authority, provide copies of all of its records pertaining or relating to its employment practices, except to the extent such records or portions of such records are confidential or privileged under state or federal law.
- E. Nothing contained in this Agreement shall be construed in any manner as to require or permit any act which is prohibited by law.