

CONTRACT FOR SERVICES

CITY OF MILWAUKEE
DEPARTMENT OF EMPLOYEE RELATIONS

SERVICE DESCRIPTION: Consulting Services Related to: comprehensive full range of services related to the design, implementation, maintenance, communication and ongoing improvement of the City's group insurances programs. This will include assistance in preparation, review and evaluation of basic health benefits renewal and/or Requests for Proposals and responses for Basic Health Plan Provider Services, and HMO services for 2008 and assistance with health care strategy.

TIME OF PERFORMANCE: April 17, 2007 through December 31, 2009.

TOTAL AMOUNT OF CONTRACT: Not to exceed a maximum of one-hundred five thousand Dollars (\$90,000.00) in 2007, 2008 and 2009, or a total of \$315,000 for specific services listed.

I. RETENTION OF SERVICES

The CITY hereby agrees to pay to the CONTRACTOR the compensation hereinafter set forth, and the CONTRACTOR hereby agrees to perform, as an independent contractor and not as an employee of the CITY, the services hereinafter set forth, all in accordance with City of Milwaukee Common Council Resolution File No. NEED NUMBER and with the terms and conditions of this Contract. The CONTRACTOR agrees to meet all deadlines and any schedules as herein set forth.

II. REQUIREMENTS

The CONTRACTOR is required to:

A. Do, perform, and carry out in a reasonably satisfactory, timely, and proper manner, the services delineated in this Contract.

B. Comply with requirements listed with respect to reporting on progress of the services, additional approvals required, and other matters relating to the performance of the services.

C. Comply with time schedules and payment terms as set forth herein.

III. SCOPE OF SERVICES

A. Schedule of Activities.

The CONTRACTOR will perform the services identified in the proposal (proposal from Willis) a copy of which is attached

hereto as Exhibit A and incorporated herein by reference.

IV. NOTICES

Any and all notices to the CONTRACTOR shall be in writing and deemed served upon depositing same with the United States Postal Services as 'First Class Mail,' addressed to the CONTRACTOR at:

Willis Corporation of Wisconsin
330 East Kilbourn Avenue, Suite 1400
Milwaukee, Wisconsin 53202-3195
Attention: Doug Ley

Any and all notices to the CITY shall be in writing and deemed served upon depositing same with the United States Postal Services as 'Certified Mail, Return Receipt Requested,' addressed to the CITY at:

City of Milwaukee
Department of Employee Benefits
Employee Benefits Division
City Hall, Room 701
200 East Wells Street
Milwaukee, Wisconsin 53202

Attention: Director of Employee Benefits

All other correspondence shall be addressed as above, but may be sent 'Regular Mail' and deemed delivered upon receipt by the addressee.

V. REPORTS

A. All reports, studies, analyses, memoranda and related data and material as may be developed during the performance of this Contract shall be submitted to and be the exclusive property of the CITY, which shall have the right to use same for any purpose without further compensation to the CONTRACTOR other than hereinafter provided.

B. If this Contract is terminated for cause or for any other reason, all finished or unfinished documents or materials prepared under this Contract shall be immediately transmitted to the CITY at the effective date of such termination.

VI. TIME OF PERFORMANCE

The services to be performed under the terms and conditions of this Contract shall be in force and shall commence on or after April 17, 2007, and shall be undertaken and completed in such sequence as to assure its expeditious completion in the light of the purposes of this Contract, but in any event all of the services required hereunder shall be completed as indicated on

page 1 under 'Time of Performance,' which is the termination date of this Contract. In addition to all other remedies inuring to the CITY should the Contract not be completed by the date specified in accordance with all of its terms, requirements and conditions therein set forth, the CONTRACTOR shall continue to be obligated thereafter to fulfill CONTRACTOR'S responsibility to amend, modify, change, correct or expand thereon until the Contract is fully completed.

VII. COMPENSATION AND TAXES

A. Compensation. The CITY agrees to pay, subject to the contingencies herein, and the CONTRACTOR agrees to accept for the satisfactory performance of the services under this Contract the maximum as indicated on page 1 under 'Total Amount to Contract,' inclusive of all expenses, it being expressly understood and agreed that in no event will the total compensations to be paid hereunder exceed said maximum sum for all of the services required.

B. Taxes, Social Security, and Government Reporting. Personal income tax payments, social security contributions, insurance and all other governmental reporting and contributions required as a consequence of the CONTRACTOR receiving payment under this Contract shall be the sole responsibility of the CONTRACTOR.

VIII. REMEDIES FOR NONCOMPLIANCE

If the CONTRACTOR materially fails to comply with any term of an award, the CITY may take one or more of the following actions:

A. Temporarily withhold cash payments pending correction of the deficiency by the CONTRACTOR;

B. Disallow (that is, deny both use of funds and matching credit for) all or part of the activity or action not in compliance;

C. Wholly or partially suspend or terminate, pursuant to Article IX, the current award for the CONTRACTOR'S program;

D. Withhold further awards for the program; or

E. Take other remedies that may be legally available.

IX. TERMINATION OF CONTRACT FOR CAUSE

If, through any cause, the CONTRACTOR shall fail to fulfill in timely, and proper manner his obligations under this Contract, or if the CONTRACTOR shall violate any of the covenants, agreements or stipulations of this Contract, the CITY shall thereupon have the right to terminate this Contract by giving written notice to the CONTRACTOR of such termination and specifying the effective date thereof, at least five days before

the effective date of such termination.

Notwithstanding the above, the CONTRACTOR shall not be relieved of liability to the CITY for damages sustained by the CITY by virtue of any breach of the Contract by the CONTRACTOR for the purpose of setoff until such time as the exact amount of damages due to the CITY from the CONTRACTOR is determined.

X. METHOD OF PAYMENT

The CITY agrees to pay the CONTRACTOR for services in accordance with the fees set forth in Exhibit C hereto, subject to a maximum total payment of \$105,000 each of the three years of the contract, or a total of \$315,000. Payment shall be made on a monthly basis (or such time period as the CONTRACTOR may select in excess of a monthly basis), commencing on or after April 17, 2007; provided, however, that the CITY's obligation to pay hereunder is expressly conditioned upon receipt by of the CITY of an invoice detailing the expenditures made for the services described in Exhibit A. The CITY's obligation to pay hereunder may further be conditioned, at the discretion of the CITY, upon receipt of the documentation specified in Section XVII.B. of this Contract. In the event of a dispute as to the services performed or the compensation to be paid, the decision of the CITY shall prevail.

XI. DEFENSE OF SUITS

In case any action in court is brought against the CITY or, or any of its officers, agents, or employees as a result of the failure, omission or neglect of the CONTRACTOR to perform any of the covenants, acts, matters or things by this Contract undertaken, or for injury of damage caused by the alleged negligence of the CONTRACTOR, its officers, agents or employees, the CONTRACTOR shall indemnify and save harmless the CITY, and its officers, agents and employees from all loses, damages, costs, expenses, judgments or decrees arising out of such action. The CITY shall tender the defense of any claim or action at law or in equity to the CONTRACTOR or CONTRACTOR's insurer, and upon such tender, it shall be the duty of the CONTRACTOR and CONTRACTOR's insurer to defend such claim or action without cost or expense to the CITY or its officers, agents or employees. The CONTRACTOR shall be solely responsible for the conduct and performance of the services required under the terms and conditions of this Contract and for the results therefrom.

XII. REGULATIONS

The CONTRACTOR agrees to comply with all of the requirements of all federal, state and local laws related thereto.

XIII. TERMINATION FOR CONVENIENCE OF THE CITY

The CITY may terminate this Contract at any time for any reason by giving at least ten (10) days' notice in writing from the CITY to the CONTRACTOR. If the CONTRACTOR is terminated by the CITY as provided herein, the CONTRACTOR will be paid an amount which bears the same ratio to the total compensation as the services actually and satisfactorily performed bear to the total services of the CONTRACTOR covered by this Contract, less payments for such services as were previously made. Provided, however, that if less than sixty percent (60%) of the services covered by this Contract have been performed upon the effective date of such termination, the CONTRACTOR shall be reimbursed (in addition to the above payment) for that portion of the actual out-of-pocket expenses (not otherwise reimbursed under the Contract) incurred by the CONTRACTOR during the Contract period which are directly attributable to the uncompleted portion of the services covered by this Contract. If this Contract is terminated due to the fault of the CONTRACTOR, Paragraph IX hereof, relative to termination, shall apply.

XIV. CHANGES

All requests for change in performance and/or compensation will be directed in writing to the CITY Department/Agency set forth in Article IV.

XV. PERSONNEL

The CONTRACTOR represents that he has or will secure at his own expense all personnel required in performing the services under this Contract. Such personnel shall not be employees of or have any contractual relationship with the CITY.

XVI. ASSIGNABILITY

The CONTRACTOR shall not assign any interest in this Contract and shall not transfer any interest in same (whether by assignment, notation or any other manner), without the prior written consent of the CITY. Provided, however, that claims for money due or to become due the CONTRACTOR from the CITY under this Contract may be assigned to a bank, trust company or other financial institution without such approval. Notices of any such assignment or transfer shall be furnished promptly to the CITY.

XVII. RECORDS

A. Establishment and Maintenance of Records. Records shall be maintained in accordance with requirements prescribed by the CITY with respect to all matters covered by this Contract. Except as otherwise authorized, such records shall be maintained for a period of three (3) years after receipt of the final payment under this Contract.

B. Documentation of Costs. All costs shall be supported

by properly executed payrolls, time records, invoices, contracts or vouchers, or other official documentation evidencing in proper detail the nature and propriety of other accounting documents pertaining in whole or in part to this Contract and shall be clearly identified and readily accessible.

XVIII. REPORT AND INFORMATION

At such times and in such forms as the CITY may require, there shall be furnished the CITY such statements, records, reports, data and information as the CITY may request pertaining to matters covered by this Contract.

XIX. AUDITS AND INSPECTIONS

At any time during normal business hours and as often as the CITY, or if federal or state grants or aids are involved, the appropriate federal or state agency may deem necessary, the CONTRACTOR shall make available to the CITY or such agency for examination all of its records with respect to all matters covered by this Contract and will permit the CITY or such agency to audit, examine and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all matters covered by this Contract.

XX. FINDINGS CONFIDENTIAL

All of the reports, information, data, etc., prepared or assembled by the CONTRACTOR under this Contract are confidential and the CONTRACTOR agrees that they shall not be made available to any individual or organization, without the prior written approval of the CITY.

XXI. CONFLICT OF INTEREST

No officer, employee, or agent of the CONTRACTOR shall receive any personal benefit, unrelated to the performance of his/her official duties, as a result of this Contract.

XXII. DISCRIMINATION PROHIBITED

A. In all hiring or employment made possible by or resulting from this Contract there (1) will not be any discrimination against any employee or applicant for employment because of race, color, sex orientation, religion, sex or national origin, and (2) affirmative action will be taken to ensure that applicants are employed and that employees are treated during employment without regard to their race, color, religion, sex orientation, sex or national origin.

This requirement shall apply to but not be limited to the following: employment, upgrading, demotion or transfer,

recruitment or recruitment advertising, lay-off or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship. There shall be posted in conspicuous places available to employees and applicants for employment, notices required or to be provided by federal or state agencies involved setting forth the provisions of the clause. All solicitations or advertisements for employees shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex orientation, sex or national origin.

B. No person in the United States shall, on the ground of race, color, sex orientation, religion, sex or national origin be excluded from participation in, be denied the benefits of, or be subject to discrimination under any program or activity made possible by or resulting from this Contract. The CITY and each employer will comply with all requirements imposed by or pursuant to the regulations of the appropriate federal agency effectuating Title VI of the Civil Rights Act of 1964.

C. The CONTRACTOR agrees that it will comply with all applicable requirements of the Americans With Disabilities Act of 1990, 42 U.S.C. 12101, et seq.

XXIII. WORKERS' COMPENSATION INSURANCE

The CONTRACTOR, and all subcontractors, if any, shall provide to the CITY an affidavit or other satisfactory proof which the CITY may require evidencing that the CONTRACTOR and all subcontractors have obtained Workers' Compensation insurance for all persons performing any work or services under the Contract or subcontract as is required by the Workers' Compensation Act of the State of Wisconsin. No payments or disbursements under the Contract shall be made if such proof has not been furnished.

XXIV. OTHER PROVISIONS

Any and all information, plans, reports and conclusions derived or developed as a consequence or result of this Contract may be utilized by the CITY in such manner and purpose as the CITY desires or determines without permission or approval of the CONTRACTOR or compensation to the CONTRACTOR therefore other than herein provided.

By our signatures on this _____ day of, _____ 2007,
_____ and the City of Milwaukee agree to all terms
and conditions of this Agreement.

(Contractor)

Willis of Wisconsin

Title: _____

Director of Employee Relations

Title: _____

W. MARTIN MORICS, Comptroller

Approved as to form and execution
this ___ day of _____, 2005.

Assistant City Attorney

2405-2005

Willis of Wisconsin, Inc.

Contract

2007-2009

April 17, 2007-December 31, 2009