

# **Request for Proposals**

## **PSMFC Employee Benefits Broker Services**



**ISSUE DATE: AUGUST 10, 2009**

**DEADLINE FOR SUBMISSIONS: SEPTEMBER 4, 2009**

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## **Section 1: PROPOSED SCHEDULE**

### **PSMFC EMPLOYEE BENEFITS BROKER SERVICES RFP**

10 August 2009	Requests for Proposals (RFP) distributed
21 August 2009	Deadline for Notice of Intent and written questions on RFP Notice of Intent and written questions should be directed to: Michael Arredondo 205 SE Spokane Street, Suite 100 Portland, OR 97202 Email: <a href="mailto:michael_arredondo@psmfc.org">michael_arredondo@psmfc.org</a> Phone: (503) 595-3100 Fax: (503) 595-3444
26 August 2009	PSMFC Answers to written questions posted on website: <a href="http://www.psmfc.org/open_rfps">www.psmfc.org/open_rfps</a>
4 September 2009	Deadline for proposals One (1) original to: Michael Arredondo Pacific States Marine Fisheries Commission 205 SE Spokane Street, Suite 100 Portland, OR 97202 Email: <a href="mailto:michael_arredondo@psmfc.org">michael_arredondo@psmfc.org</a> Phone: (503) 595-3100 Fax: (503) 595-3444
14 - 21 September 2009	Interviews with Top Five (5) Proposers
25 September 2009	Select Broker

## **Section 2: DESCRIPTION/SPECIFICATIONS/WORK STATEMENT**

### **2.1. PURPOSE**

The purpose of this Request for Proposals (RFP) is to solicit offers from qualified insurance brokers to provide brokerage and consulting services for the Pacific States Marine Fisheries Commission's Employee Benefits program. Such services will include, but not be limited to: (1) reviewing and advising on appropriate insurance coverage; (2) marketing and placement of insurance; (3) reviewing vendor contracts and evidence of coverage; (4) coordinating with other PSMFC benefits providers; (5) acting as a liaison and an advocate for PSMFC with insurance companies; and (6) developing and producing communications materials.

PSMFC's employee benefits philosophy is to address employee wellness and preventative medicine. As such, the selected broker must be able to identify insurance providers who adhere to this philosophy and provide services accordingly.

Current PSMFC benefits include a self-funded health plan (medical, dental, vision, and prescription coverage administered by Principle financial); group life, AD&D and Long Term Disability insurance administered by Lincoln Financial; a Flexible Spending Account (FSA) for medical and family care expenses administered by Manley Services; a Post Employment Health Plan (PEHP); and an Employee Assistance Program (EAP) through Cascade Centers. At this time, PSMFC would prefer to continue to offer the same level of benefits for its employees.

### **2.2. BACKGROUND**

Formed by Congress more than 50 years ago, the Pacific States Marine Fisheries Commission (PSMFC) helps resource agencies and the fishing industry sustainably manage our valuable Pacific Ocean resources in a five-state region. Established in 1947, PSMFC is one of only three interstate commissions in the United States today.

PSMFC's primary goal is to promote and support policies and actions to conserve, develop, and manage our fishery resources in California, Oregon, Washington, Idaho and Alaska. We accomplish this through coordinating research activities, monitoring fishing activities, and facilitating a wide variety of projects. We work to collect data and maintain databases on salmon, steelhead, and other marine fish for fishery managers and the fishing industry.

PSMFC's activities are funded through federal grants, special contracts, and dues from its member states. PSMFC regularly serves as a primary contractor on grants, projects, and contracts for states and other organizations in large part due to our low overhead and our proven management ability. Due to the fact that most of PSMFC's operating funds are from Federal grants and contracts, PSMFC must adhere to federal accounting rules and cost principles.

PSMFC currently has 450 employees across the five member states of Alaska, California, Idaho, Oregon and Washington. Only 250 of these employees are currently eligible for full benefits. Full-year and seasonal employees working more than 20 hours per week are eligible for health benefits through PSMFC. Health benefits consist of medical, dental, vision and prescription coverage.

## **2.3. SCOPE OF WORK**

### **Broker Responsibilities:**

1. Serve as the designated insurance broker of record for PSMFC Benefits Programs.
2. Provide advice and assistance reviewing the PSMFC Employee Benefits Program, on a continuing basis, to ensure that those plans are in compliance with federal and state requirements and their adequacy of benefits as compared to other plans. Recommend alternative benefits designs or delivery systems as dictated by emerging plan costs, regulations and benefits industry practices.
3. Assist in reviewing and reaffirming or changing the goals and objectives of the benefit design. Monitor and provide information to PSMFC on pending or new legislation and changes in tax law as well as benefit and funding trends that may affect the benefits program. Advise PSMFC of market and like business benefits trends and recommend appropriate action to be taken by the PSMFC Employee Benefits Administrator.
4. Advise and assist the PSMFC Employee Benefits Administrator with writing plan modifications and new plans. Provide expert assistance in establishing insurance program structures that attract and keep valued personnel, in accordance with PSMFC's available resources.
5. Assist the PSMFC Employee Benefits Administrator with submitting written reports as required by federal, state and local governments.
6. Advise and assist in reviewing contracts, plan documents, insurance policies and other documents for applicability, accuracy and consistency. Prepare and deliver necessary reports to PSMFC.
7. Prepare alternative funding analyses and conduct actuarial analyses of claims reserves and funds requirements as requested.
8. Provide any necessary actuarial services, including projected funding needs for upcoming fiscal year.
9. Maintain records of the financial and claims experience, condition, and progress of PSMFC benefits plans and provide quarterly reports.
10. Prepare annual reports for each line of coverage, analyzing financial developments, network utilization, insurer cost structures, etc., and make recommendations regarding changes, modifications and/or benefits enhancements.
11. Review all benefit services for technical accuracy.
12. Participate with PSMFC when requested in communications and actions with the insurance and healthcare reimbursement carriers.
13. Assist the PSMFC Benefit Plan Administrator develop communication materials. Help coordinate the design, editing, printing and production of those materials and giving advice and recommendations when necessary and appropriate.

14. Personal availability for meetings as required. Be available for executive committee and/or employee meetings in various locations as needed.
15. Provide a backup service staff that is knowledgeable about the PSMFC benefits programs.
16. Provide assistance with the resolution of claims issues, billing problems, contract interpretation and vendor performance management. Assist with the adjudication of specific claims when requested by PSMFC.
17. Discuss and coordinate information with other consultants employed with PSMFC as requested.
18. Provide liaison services between PSMFC and other benefits contractors, including coordination of reporting and assistance with resolving claims.
19. Participate in the preparation and presentation of the semi-annual financial reports for self-funded plans.
20. Perform special projects as requested by PSMFC. For example:
  - a. Develop and assist in the implementation of new insurance plans.
  - b. Advise PSMFC in benefits contract negotiations and renewals
  - c. Assist with special employee communication projects, which may result from legislative or regulatory changes.
  - d. Prepare special reports showing claims experience.
21. Assist PSMFC with the development of performance guarantees relating to the vendors' performance of services to the PSMFC Employee Benefits Plan Administrator and evaluate the performance of the vendors.
22. Provide expert analysis and interpretation of insurance policy language and coverage.
23. Provide open enrollment support, including but not limited to, developing a timeline, assisting with the development of open enrollment materials and coordinating and participating in open enrollment meetings at PSMFC headquarters as well as various PSMFC field office locations, as requested.
24. Act as a liaison between PSMFC employees and carriers.

## **2.4. REQUIREMENTS**

- 2.4.1. Proposers must be licensed and authorized to perform benefit brokerage services in the State of Oregon.

## **Section 3: INSTRUCTIONS, CONDITIONS, AND NOTICES TO PROPOSERS**

### **3.1 QUESTIONS**

Questions regarding this RFP shall be submitted in writing no later than August 21, 2009 to:

Michael Arredondo  
205 SE Spokane Street, Suite 100  
Portland, OR 97202  
Email: [michael\\_arredondo@psmfc.org](mailto:michael_arredondo@psmfc.org)  
Phone: (503) 595-3100  
Fax: (503) 595-3444

### **3.2 NOTICE OF INTENT**

3.2.1 If your organization is interested in submitting a proposal, please send an email by August 21, 2009 to [michael\\_arredondo@psmfc.org](mailto:michael_arredondo@psmfc.org), notifying PSMFC of your intent to submit a proposal. Your “reply to” address will be added to an email list to notify you of any modifications to this RFP.

### **3.3. AMENDMENTS TO SOLICITATIONS**

3.3.1. If this solicitation is amended, all terms and conditions that are not amended remain unchanged. Proposers shall acknowledge receipt of any amendment to this solicitation in Proposer’s cover letter.

### **3.4. SUBMISSION, MODIFICATION, REVISION, AND WITHDRAWAL OF PROPOSALS**

3.4.1. Deadline for proposals is September 4, 2009.

3.4.2. Proposals must be submitted to:

Attn: Michael Arredondo  
205 SE Spokane Street, Suite 100  
Portland, OR 97202  
Email: [michael\\_arredondo@psmfc.org](mailto:michael_arredondo@psmfc.org)  
Phone: (503) 595-3100  
Fax: (503) 595-3444

3.4.3. Proposals and modifications to proposals may be submitted via hardcopy by courier or mail and/or via email in PDF or MS Word format.

3.4.4. PSMFC reserves the right to consult with and to consider information from its own sources, including information from state and federal agencies regarding the proposer’s prior performance or the status of outstanding investigations or warrants involving the proposer.

3.4.5. Proposers are responsible for submitting proposals, and any modification or revisions, so as to reach PSMFC by 4:00 p.m., local time, on September 4, 2009.

3.4.6. Late proposals

3.4.6.1. Any proposal, modification, or revision received at the PSMFC office designated in the solicitation after the exact time specified for receipt to offers is “late” and will not be considered unless it is received before award is made, the PSMFC Fiscal Manager determines that accepting the late offer would not unduly delay the acquisition; and

3.4.6.2. There is acceptable evidence to establish that it was received at the PSMFC installation designation for receipt of offers and was under the PSMFC’s control prior to the time set for receipt to offers; or

3.4.6.3. It is the only proposal received.

3.4.6.4. However, a late modification of an otherwise successful proposal that makes its terms more favorable to the PSMFC, will be considered at any time it is received and may be accepted.

3.4.6.5. Acceptable evidence to establish time of receipt at the PSMFC installation includes the time/date stamp of that installation on the proposal wrapper, other documentary evidence of receipt maintained by the installation, or oral testimony or statements of PSMFC personnel.

3.4.6.6. If an emergency or unanticipated event interrupts normal PSMFC processes so that proposals cannot be received at the office designated for receipt of proposals by the exact time specified in the solicitation, and urgent PSMFC requirements preclude amendment of the solicitation, the time specified for receipt of proposals will be deemed to be extended to the same time of day specified in the solicitation on the first work day on which normal PSMFC processes resume.

3.4.6.7. Proposals may be withdrawn by written notice received at any time before award. Proposals may be withdrawn via facsimile received at any time before the award, subject to the conditions specified in the provisions at 52.215-5, Facsimile Proposals. Proposals may be withdrawn in person by an offer or an authorized representative, if the identity of the person requesting withdrawal is established and the person signs a receipt for the proposal before award.

3.4.7. Proposers shall submit proposals in response to this solicitation in English and in U.S. dollars.

3.4.8. Proposers may submit modifications to their proposals at any time before the solicitation closing date and time, and may submit modifications in response to an amendment, or to correct a mistake at any time before award.

3.4.9. Proposers may submit revised proposals only if requested or allowed by PSMFC.

3.4.10. Proposals may be withdrawn at any time before award. Withdrawals are effective upon receipt of notice by the Fiscal Manager.

## 3.5. PROPOSAL FORMAT AND CONTENT

### 3.5.1 General

Proposals may be submitted in 8<sup>1/2</sup>" x 11" size, typed and, if submitted in paper form, bound with a simple form of fastening, allowing the document to be easily unbound for photocopying purposes. Hard copy proposals must be submitted in a sealed envelope marked "PSMFC Employee Benefits Broker Services RFP". If submitting a paper proposal, the Proposer must include one (1) original and three (3) copies.

Proposals may also be submitted as a file attached to an email message and sent to [michael.arredondo@psmfc.org](mailto:michael.arredondo@psmfc.org) with the following inserted in the "subject" line of the email: "PSMFC Employee Benefits Broker Services RFP". Emailed proposals must be received by the specified deadline according to the internal clock of PSMFC's server.

Proposers should use the following outline in organizing the content of their proposals:

### 3.5.2 Cover Letter

The letter of transmittal shall, at a minimum, contain the following:

- Identification of the Proposer, including business name, address, and telephone number;
- Name, title, address, telephone number, fax number, and email address of a contact person during the period of proposal evaluation;
- A statement that the proposal shall remain valid for a period not fewer than ninety (90) days from the due date of proposals;
- Identification of any information contained in the proposal that the Proposer deems to be, and establishes as, confidential or proprietary and wishes to be withheld from disclosure to others under the US Freedom of Information Act. A blanket statement that all contents of the proposal are confidential or proprietary will not be honored by PSMFC); and
- The signature and typed name of the person authorized to bind the offering firm to the terms of the proposal

### 3.5.3 Table of Contents

Insert a complete table of contents for material included in the proposal, including page numbers.

### 3.5.4 Qualifications, Related Experience and References

3.5.4.1 Overview: This section should establish the ability of the Proposer to satisfactorily perform the work described in the Scope of Work (Section 2.3 of this RFP) by reasons of: demonstrated competence in the services to be provided; the nature and relevance of similar work currently being performed or recently completed; record of meeting schedules and deadlines of other clients; competitive advantages over other firms in the same industry; strength and stability as a business concern; and supportive client references. Information should be furnished for both the Proposer and any subcontractors included in the offer.

- 3.5.4.2 Furnish background information about your firm, including date of founding, legal form (i.e. sole proprietorship, LLC, corporation/state of incorporation), number and location of offices, principle lines of business, number of employees, day/hours of operation and other pertinent data. Disclose any conditions (e.g. bankruptcy or other financial problems, pending litigation, planned office closures, impending mergers) that may affect the Proposer's ability to perform in accordance with a resulting contract. Certify that the firm is not debarred, suspended or otherwise declared ineligible to contract by any federal, state, or local public agency.
- 3.5.4.3 Describe your firm's most noteworthy qualifications for providing the required services to PSMFC, including years of experience providing like services. Specifically highlight those qualifications that distinguish you from others.
- 3.5.4.4 List any other public agencies to which your firm has provided employee benefits broker and consulting services.
- 3.5.4.5 Identify at least three (3) current and three (3) former clients that PSMFC may contact as references and who can independently evaluate the Proposer's expertise in this area. Described the work performed for the client and include the name, job title, address, and phone number of a contact person for each reference.
- 3.5.4.6 Describe other lines of business in which your firm is engaged.
- 3.5.4.7 If your organization is a subsidiary or division of a parent firm, provide similar background information on the parent company and identify any other affiliated companies.
- 3.5.4.8 Describe your firm's disclosure policy.
- 3.5.4.9 Disclose any existing or potential conflicts of interest between the scope of work required by PSMFC and your firm's other business activity.

### 3.5.5 Staffing and Project Organization

- 3.5.5.1 Overview: This section should discuss the staff who would be assigned to service PSMFC's account, their projected levels of work and their reporting relationships.
- 3.5.5.2 Identify the key personnel from your firm who would be assigned to PSMFC's account. Include a brief description of their qualifications, current job functions (including other accounts to which they are assigned), proposed roles on the PSMFC account team, and office location(s). Designate a principal of the firm who would be ultimately responsible for the relationship and an Account Manager who would provide day-to-day direction of the required work. Furnish brief resumes (not more than two pages long) for all key personnel; include these as an appendix, not in the body of the proposal.
- 3.5.5.3 If more than two people would be assigned to PSMFC's account, include a simple organization chart that clearly delineates communication and reporting relationships among the project staff.
- 3.5.5.4 Estimate the number of hours to be devoted to PSMFC's account by each key personnel member.

### 3.5.6 Work Plan / Technical Approach

- 3.5.6.1 This section should demonstrate the Proposer's understanding of PSMFC's objectives and requirements, demonstrate the proposer's ability to meet those requirements and outline clearly and concisely the plan for accomplishing the specified work.
- 3.5.6.2 Describe succinctly how your firm would accomplish the work and satisfy PSMFC's objectives as described in this RFP. If appropriate, divide the work into segments or tasks to represent milestones for measuring progress.
- 3.5.6.3 Attach as an appendix a sample insurance renewal proposal your firm prepared for a client of similar size as PSMFC. You may de-identify the client and otherwise exclude information deemed proprietary to the client.
- 3.5.6.4 List all the names of the insurance companies that underwrite 30% or more of your firm's book of business. Project whether you would approach the same markets on behalf of PSMFC's account or source other markets.
- 3.5.6.5 Describe your underwriting resources, procedures and staff.
- 3.5.6.6 Describe your renewal process and timelines.
- 3.5.6.7 Describe your firm's philosophy for servicing an account and commitment to customer service and quality assurance.

### 3.5.7 Fee

- 3.5.7.1 This section should disclose all charges that will be assessed to PSMFC as a result of the services provided by Proposer.
- 3.5.7.2 Quote an estimated annual total fixed flat fee for completing all requirements outlined in the Scope of Work.
- 3.5.7.3 Quote rates for additional, optional consulting hours that may be required for special projects/consulting work.
- 3.5.7.4 State your preference for how payments should be made (e.g. monthly, quarterly, semi-annually).
- 3.5.7.5 For all fees listed above, provide quotes for the initial term and for each year of a potential four (4) option years that may follow. The annual total fixed fees shall be inclusive of all expenses and costs, including direct labor, indirect costs and profit.

### 3.5.8 Exceptions / Deviations

State any exceptions or deviations from the requirements stated in this RFP. If your firm wishes to present alternative approaches to meet PSMFC's work requirements, these should be thoroughly explained.

### 3.5.9 Appendices

- 3.5.9.1 Furnish as appendices those supporting documents (e.g. staff resumes) requested in the preceding instructions.
- 3.5.9.2 Include any additional information you deem essential to proper evaluation of your proposal and which is not solicited in any of the preceding sections.

### **3.6. PROPOSAL EVALUATION**

- 3.6.1 General. All proposals received in accordance with these RFP instructions will be evaluated to determine if they are complete and meet the requirements specified in this RFP. An award will be made to the Proposer whose offer is judged to be the most advantageous to PSMFC. PSMFC expressly reserves the right to reject all proposals and make no award under this RFP.
- 3.6.2 Process. All Proposals received in accordance with these RFP instructions will be reviewed, analyzed, evaluated and scored in accordance with the criteria described below. If needed, additional information may be requested from one or more Proposers. Interviews will be conducted with the five (5) top scoring Proposers. The evaluators will then select a Proposer for award.
- 3.6.3 Request for additional information. During the evaluation period, PSMFC may request additional information in order to fairly evaluate a Proposer's offer. If such information is required, the Proposer will be notified in writing (or by email) and will be permitted a reasonable period of time to respond.
- 3.6.4 Evaluation Criteria. By use of numerical and narrative scoring techniques, proposals will be evaluated by PSMFC against the factors specified below. The relative weights of the criteria – based on a 100 point scale – are shown in parentheses. Within each evaluation criterion listed, the sub-criteria are those described in Section 3.4, "Proposal Format and Content". The evaluation criteria are:
  - 3.6.4.1. Qualifications, experience, references, and ability to carry out the Scope of Work (25 points);
  - 3.6.4.2. Staffing, Project Organization (25 points);
  - 3.6.4.3. Work Plan/Technical Approach (25 points);
  - 3.6.4.4. Fee (25 points)

### **3.7. CONTRACT AWARD**

- 3.7.1. The PSMFC intends to award a contract or contracts resulting from this solicitation to the responsible Proposer(s) whose proposal(s) represent the best value after evaluating in accordance with the factors and sub-factors in the solicitation.
- 3.7.3. The PSMFC may reject any or all of the proposals if such action is in the PSMFC's interest.
- 3.7.4. The PSMFC may waive informalities and minor irregularities in proposals received.

- 3.7.6. The PSMFC reserves the right to make an award on any item for a quantity less than a quantity offered, at the unit cost or price offered, unless the offer specifies otherwise in the proposal.
- 3.7.7. The PSMFC reserves the right to make multiple awards if, after considering the additional administrative cost, it is in the PSMFC's best interest to do so.
- 3.7.8. Exchanges with proposer's after receipt of a proposal do not constitute a rejection or counteroffer by the PSMFC.
- 3.7.9. The PSMFC may determine that a proposal is unacceptable if the prices proposed are materially unbalanced between line items or subline items. Unbalanced prices exists when, despite an acceptable total evaluated price, the price of one or more contract line items is significantly overstated or understated as indicated by the application of cost or price analysis techniques. A proposal may be rejected if the PSMFC Fiscal Manager determines that the lack of balances poses an unacceptable risk to the PSMFC.
- 3.7.10. If a cost realism analysis is performed, cost realism may be considered by the source selection authority in evaluating performance or schedule risk.
- 3.7.12. The PSMFC may disclose the following information in post award debriefings to other proposers:
  - 3.7.12.1. The overall evaluated cost of price and technical rating of the successful proposer;
  - 3.7.12.2. The overall ranking of all proposers, when any ranking was developed by the agency during source selection; and
  - 3.7.13.3. A summary of the rationale for award.

### **3.8. SPECIAL CONTRACT AWARD REQUIREMENTS**

#### **3.8.1. Conflict of Interest**

The Proposer warrants that, to the best of the Proposer's knowledge and belief, there are no relevant facts or circumstances which could give rise to an organizational conflict of interest, as defined in FAR Subpart 9.5, or that the Proposer has disclosed all such relevant information.

The Proposer agrees that if an actual or potential organizational conflict of interest is discovered after award, the Proposer will make full disclosure in writing to the PSMFC Fiscal Manager. This disclosure shall include a description of actions that the Proposer has taken or proposes to take, after consultation with the PSMFC Fiscal Manager, to avoid, mitigate, or neutralize the actual or potential conflict.

Remedies – The PSMFC Fiscal Manager may terminate the contract for convenience, in whole or in part, if it deems such termination necessary to avoid an organizational conflict of interest. If the Proposer was aware of a potential organizational conflict of interest prior to award or discovered an actual or potential conflict after award and did not disclose or misrepresented relevant information to the PSMFC Fiscal Manager, PSMFC may terminate the contract for default, debar the Proposer from PSMFC contracting, or pursue such other remedies as may be permitted by law.

The Proposer further agrees to insert provisions that shall conform substantially to the language of this clause, including this paragraph, in any subcontract, personnel agreement, or consultant agreement hereunder.

### 3.8.2. Indemnification

Contractor shall indemnify and hold harmless PSMFC and its officers, agents, employees, boards and commissions, against any and all loss, damages, liability, claims, suits, costs and expense whatsoever, including reasonable attorneys fees, regardless of the merits or outcome of any such claim or suit arising from or in any manner connected to Proposer's negligent performance of services provided or work conducted as a result of this RFP.

### 3.8.3. Insurance

**Minimum Coverages Required.** The Contractor selected for this project will be required to present evidence to show, at a minimum, the amounts of insurance coverage indicated below. Contractor is also responsible for its Subcontractors maintaining sufficient limits of the same coverage required by Contractor and the Contractor is responsible for collecting Certificates of subcontractors, as per below:

- Workers' Compensation and Employer's Liability –All employers, including Contractor, that employ subject workers who work under this contract shall comply with State Worker's Compensation laws applicable to the State where the work is performed. Contractor shall ensure that each of its sub-contractors complies with these requirements.
- Contractor shall obtain, at Contractor's expense, and keep in effect during the term of this Contract, Professional Liability Insurance covering any damages caused by an error, omission or any negligent acts of the Contractor, its sub-contractors, agents, officers, or employees' performance under this Contract. Combined single limit per occurrence shall not be less than \$500,000. Annual aggregate limit shall not be less than \$1,000,000.
- Contractor shall obtain, at Contractor's expense, and keep in effect during the term of this Contract, Commercial Business Automobile Liability Insurance covering all owned, non-owned, or hired vehicles. This coverage may be written in combination with the Commercial General Liability Insurance (with separate limits). Combined single limit per occurrence shall not be less than \$ 500,000. Use of personal automobile insurance instead of commercial business automobile insurance may be substituted for sole proprietorships. Note: The sole proprietor must either carry a Business Use Endorsement or insure that business use is covered under their personal auto policy.

*Subrogation Waiver Provision.* Contractor agrees that in the event of loss due to any of the perils for which Contractor is required to provide or perils insured under State Act Workers' Compensation or Commercial Business Automobile Liability Insurance, Contractor shall look solely to its insurance for recovery. Contractor shall hereby grant to PSMFC, its officers, agents, employees, boards, commissions, on behalf of any insurer providing Business Auto Liability, State Act Workers' Compensation, or equivalent Policy coverage to either Contractor of PSMFC with respects to the services of Contractor herein, a waiver of any right to subrogate which any such insurer of said contractor may acquire against PSMFC, its officers, agents, employees, boards, and commissions by virtue of the payment of any loss under such insurances.

*Evidence of Insurance Provision.* Before the final execution of this contract, Contractor and any Subcontractors shall produce a standard Accord form Certificates of Insurance with Insurance Carriers acceptable to the PSMFC, evidencing all required insurances.

The Certificate shall also comply with the Additional Insured Provision, Subrogation Waiver Provision and forward actual endorsements from the Contractor's insurance carriers evidencing required coverage amendments.

*Renewal/Cancellation.* The respective Insurance Carriers and the Certificate of Insurance shall allow for a minimum of 30 day written notice of cancellation, non-renewal or reduction of required coverages before the expiration date thereof and the Certificate shall delete the word(s) "endeavor" and the last two lines of a standard Accord Certificate ("But failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives"). Renewal Certificates evidencing the same shall be received 10 days prior to the expiration of the coverages so evidenced. The Certificate evidencing all requirements herein and any reduction of required coverages or cancellation shall be sent to PSMFC Attn: Rick Masters, 205 SE Spokane Suite 100, Portland, OR 97202. Upon request, Contractor shall furnish PSMFC or the appointed Broker the same evidence of insurance for its subcontractors as PSMFC requires of the Contractor.

Approval of the insurances evidenced or the Accord Certificate by PSMFC shall not relieve or decrease the extent to which the Contractor or subcontractor of any tier may be held responsible for payment or any and all damages resulting from its operations. Contractor shall be responsible for all losses not covered by the policy irrespective of no Certificates Filed, expired Certificates, Approved Certificates or for any reason whatsoever.

*Sufficiency of Insurance.* The insurance limits or coverages required by PSMFC are not represented as being sufficient to fully protect the Contractor. Contractor is advised and responsible to determine its own adequate coverage or limits for the Contractor/subcontractor.

*Qualifications.* Insurance companies shall be legally authorized to engage in the business of furnishing insurance in the State of the exposure. All insurance companies shall have a current A.M. Best Rating not less than "A-" and shall be satisfactory to PSMFC.

*Modify Insurance Requirements.* PSMFC reserves the option, at any time, to require additional Insurance to be provided by Contractor or subcontractor or to otherwise revise the requirements for provided insurance. Any such action shall be deemed a directed change entitling the Contractor/Subcontractor to an increase for the costs incurred due to such change. Contractor/Subcontractor shall provide all such information or records as may be required or helpful in determining additional costs.

If Contractor cannot meet the insurance terms/condition herein, would like to exclude the insurance costs from their bid, and would like to employ the use of direct brokerage services, Contractor may request PSMFC to assign an insurance broker that is ready to meet the insurance requirements herein. The appointment of an insurance broker shall not relieve Contractor of any duties or liabilities under the contract.