

**APPROVE EXERCISING THE FIRST OPTION TO RENEW THE AGREEMENT
WITH ARTHUR J. GALLAGHER & COMPANY FOR PROPERTY INSURANCE BROKERAGE
SERVICES**

THE CHIEF EXECUTIVE OFFICER REPORTS THE FOLLOWING DECISION:

Approve exercising the first option to renew the agreement with Arthur J. Gallagher & Company

option period not to exceed \$66,000 and loss adjustment services at a cost not exceed \$75,000 for the
shall be period. A written document exercising this first option is currently being negotiated. No payment
t. The made to Consultant during the option period prior to the execution of the written option document
executed authority granted herein shall automatically rescind in the event a written option document is not
with a CO of the date of this Board Report. Information pertinent to this option is stated below.

Specification No.: 99-250245

CONSULTANT: Arthur J. Gallagher & Company, USAER, Bureau of Risk & Prost

Worcester, MA 01501, 500 Clark St., 01501

Itasca, IL 60143-3141 Georgette Hampton, Director

(630) 773-3800

773) 553-2818

Vendor # 32164

15) is for a **ORIGINAL AGREEMENT:** The original agreement (authorized by Board Report 99-0526-PR
to renew for one year term(s) until the first of May, 2001 and end on May 26, 2001 with the Board Report 99-0526-PR

OPTION PERIOD: The term of this first option period shall commence May 26, 2001 and end May 26

2002

one year term(s) until the first of May, 2001 and end on May 26, 2001 with the Board Report 99-0526-PR

terms and conditions, including the following:

1. **AUTHORIZATION:** The Company hereby authorizes the President and Secretary to execute the option documents, and the Director of Risk & Benefits Management to execute all ancillary documents required to administer or effectuate this first option agreement.

2. **AFFIRMATIVE ACTION:** As a condition of this award, the Company agrees to make every effort to comply with the provisions of the Revised RFP for MWRB Economic Package, including the full compliance with the provisions of the RFP.