

**PUBLIC BUILDING COMMISSION OF CHICAGO
FIRST AMENDMENT
CONTRACT NUMBER PS910**

THIS FIRST AMENDMENT AGREEMENT is made and entered into as of the 8th day of October, 2008, and shall be deemed and taken as forming a part of the Agreement for Consultant of Record Services ("Agreement") between by and between the **PUBLIC BUILDING COMMISSION OF CHICAGO**, a municipal corporation of the State of Illinois ("Commission") and **WILLIS OF ILLINOIS, INC.** ("Consultant") dated October 3, 2005 with the like operation and effect as if the same were incorporated therein.

WITNESSETH:

WHEREAS, the Commission and Consultant have heretofore entered into an Agreement dated the 3rd day of October, 2005, ("Agreement"), wherein the Consultant is to provide **Insurance Brokerage Services for Property and Casualty Coverages**; and

WHEREAS, the Commission and Consultant now desire to amend the Agreement to include additional Services performed and associated compensation due to Consultant;

NOW THEREFORE, in consideration of the provisions and conditions set forth in the Agreement and herein, the parties hereto mutually agree to amend the Agreement as hereinafter set forth.

It is agreed by and between the parties hereto that the sole modification of, changes in, and amendments to the Agreement pursuant to this Amendment are as follows:

TERMS

1. **Recitals**
THE ABOVE RECITALS ARE EXPRESSLY INCORPORATED IN AND MADE A PART OF THE AMENDMENT AGREEMENT AS THOUGH FULLY SET FORTH HEREIN.

2. **Schedule A – Project Description and Scope of Services**

The Commission is hereby exercising the option to extend the term of this Agreement for one (1) year therefore:

Completion Date of Services is amended to October 2, 2009

3. Schedule C - Compensation of the Consultant

Section C.1 Consultant's Fee is revised to include as follows:

The Consultant shall be paid the annual fixed fee of \$75,000 for the extension of Services in this Amendment 1.

Execution of this Amendment by the Consultant is duly authorized by the Consultant, and the signature(s) of each person signing on behalf of the Consultant have been made with the complete and full authority to commit the Consultant to all terms and conditions of this Amendment.

All capitalized terms not defined herein shall have the meaning ascribed to them in the agreement. Except as and to the extent that the terms of the Agreement are amended and modified herein, all terms of the Agreement shall remain in force and effect.

IN WITNESS WHEREOF, the parties hereto have agreed and executed this Amendment Agreement No. 1.

ATTEST:

PUBLIC BUILDING COMMISSION
OF CHICAGO

BY: Richard M. Daley
Richard M. Daley
Chairman

Date: _____

BY: Edgwick C. Johnson
Edgwick C. Johnson
Secretary

Date: 10-8-08

CONSULTANT

WILLIS OF ILLINOIS, INC.

By: Bill D. Hines
Bill Hines
Senior Vice President

Date: 10/9/08

Subscribed and sworn to me this

9 day of October 20 08.

Adrienne C. Stevenson
Notary Public

My Commission expires: 12-15-11

(Seal of Notary)





Richard J. Daley Center
50 W. Washington Street
Room 200
Chicago, Illinois 60602
(312) 744-3090
Fax: (312) 744-8005
www.pbcchicago.com

BOARD OF COMMISSIONERS

Chairman
RICHARD M. DALEY
Mayor
City of Chicago

Treasurer
BISHOP ARTHUR BRAZIER
Pastor
Apostolic Church of God

ADELA CEPEDA
President
A.C. Advisory, Inc.

GERY J. CHICO
President
Chicago Park District

DR. ROBERT B. DONALDSON II
Forest Preserve District of Cook County

BENJAMIN REYES
President
DSR Group, Inc.

CYNTHIA M. SANTOS
Commissioner
Metropolitan Water
Reclamation District

SAMUEL WM. SAX
Chairman
Financial Relations, Inc.

TODD H. STROGER
President
Board of Commissioners
of Cook County

GERALD M. SULLIVAN
City of Chicago

RUFUS WILLIAMS
President
Chicago Board of Education

Executive Director
ERIN LAVIN CABONARGI

Assistant Treasurer
JOHN E. WILSON
John E. Wilson, Ltd.
Certified Public Accountants

Secretary
EDGRICK C. JOHNSON

Assistant Secretary
PATRICK J. HARNEY

October 8, 2008

Bill Hines
Senior Vice President
Willis of Illinois
10 South LaSalle Street
Chicago, IL 60603

Re: **Amendment No. One**
Professional Service Agreement PS 910
Insurance Brokerage Services for the Public Building Commission
of Chicago

Dear Mr. Hines:

Enclosed is Amendment No.1 to the above referenced agreement. Please return all copies of the signed and notarized amendment to my attention within ten (10) days from the date of this letter.

An incomplete execution page may delay final execution of the Amendment and processing of invoices. Upon acceptance of the amendment by the Public Building Commission, a fully executed copy will be returned to you.

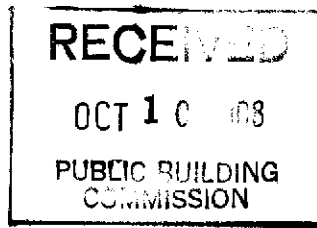
Sincerely,

Deborah Burton
Director of Procurement

DB/dz

Willis

October 10, 2008



Deborah Burton
Director of Procurement
Public Building Commission of Chicago
Richard J. Daley Center
50 W. Washington St., Room 200
Chicago, IL 60602

Re: Amendment No. One- Professional Services Agreement PS910
Insurance Brokerage Services for the Public Building Commission of Chicago and
Amendment No. One- Professional Services Agreement PS899
Benefit Consulting Services for the Public Building Commission of Chicago

Dear Ms. Burton:

Enclosed please find to signed copies of the two Amendments listed above. Please forward a copy of each of the Amendments to me when they have been signed by the Public Building Commission of Chicago.

Thank you for your continued confidence in Willis of Illinois, Inc.

Sincerely,

Bill Hines
Senior Vice President
Willis of Illinois, Inc.
10 S. LaSalle St
Chicago, IL 60603

✓ CC: Ms. Caroline Cogtella



From: Carrie Cogtella
To: Burton, Deborah
CC: Edgrick Johnson
Date: 9/15/2008 4:03 PM
Subject: Re: Insurance Brokerage Services Property/Casualty - Willis Contract

Willis places the following:

the primary, umbrella and excess Liability coverage, expiring 12/31/08. This insures for the building liability and development exposures.

the property, including terrorism, effective July 1, 2009 which insures this building.

The Crime insurance is expiring 1/1/09 and insures for fidelity risks, such as stealing, computer fraud, etc.

The Workers' Compensation insures for work related accident/illness of employees and is mandatory in the state effective 8/1/09.

The public officials bonds insure Erin, Treasurer, and Asst Treasurer, and I believe were required in the enabling legislation. I am processing them now. Expiring 11/12/08

They do all this for that one fee of \$57,000. We use to almost pay double that

Caroline M. Cogtella
Risk Manager
Public Building Commission of Chicago
50 W. Washington, Rm. 200
Chicago, IL 60602
Phone: (312) 744-9434
Fax: (312) 744-8005
Email: ccogtella@cityofchicago.org

>>> Deborah Burton 9/15/2008 3:51 PM >>>
Carrie-

Please provide me with a written description of the coverages and why it is best to extend and the costs and what is included.

I am writing up the Board agenda now to get to Mary Pat tomorrow AM

Thanks-

Deb

>>> Carrie Cogtella 9/15/2008 3:48 PM >>>
I doubt it. They asked for a higher fee last year and I refused. I put \$75,000 in my budget for this year for them because they took on the bonds, crime and workers compensation for no fee. Now that figure might be correct especially if the coverage will be hard to place. What do I have to do

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>>> Deborah Burton 9/15/2008 3:46 PM >>>
Carrie-

Will Willis hold the annual fee of \$57,000 for the extension?

Deb

>>> Carrie Cogtella 9/15/2008 12:12 PM >>>

I am recommending an extension of this contract. We are at a critical time, especially since the December 31, 2008 renewal is coming up and AIG is the incumbent insurer. This A+ company, number one in the world, is supposedly being restructured (see today's news). 15 insurers were marketed last year and 14 either declined to quote the PBC because of the class of business, price, or did not offer quote. AIG was the only company that would provide a quotation. Willis knows the account and would be able to market it quickly prior to expiration of the liability coverage. The insurance market perceives the PBC as a liability risk, based on the development and building exposures. All this turmoil is like the 1986 market when coverage capacity went down and prices went up. So if AIG does not get out of the mess, we can expect higher insurance costs.

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>>> Deborah Burton 9/12/2008 3:08 PM >>>

All-

This contract with Willis expires October 5, 2008 - it does allow for 2 - 1 year extensions. Value is \$57,000 per year

What is everyone's plan for this contract?

Deb

From: Carrie Cogtella
To: Burton, Deborah
Date: 9/15/2008 3:48 PM
Subject: Re: Insurance Brokerage Services Property/Casualty - Willis Contract

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*Property - DA by Center
Liability exp - developer
WC Bonds - D.C.*

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Deb

From: Carrie Cogtella
To: Burton, Deborah; Johnson, Edgrick; Spieles, Paul
Date: 9/15/2008 12:13 PM
Subject: Re: Insurance Brokerage Services Property/Casualty - Willis Contract

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