



NUGENT CONSULTING GROUP
INSURANCE AND RISK MANAGEMENT CONSULTING

August 26, 2024


Mr. Jeffrey Martynowicz
Chief Financial Officer
DuPage County

Re: Nugent Consulting Risk Management Proposal

Dear Mr. Martynowicz:

I appreciate the opportunity to provide a service proposal to DuPage County. I understand there were no addendum issued for this bid.

The following pages provide background on the firm I created in 1993 after working in the insurance industry for 12 years. Since 1993 I have provided consulting services to hundreds of governmental agencies. I trust you will find my experience matches the requirements in the bid and look forward to answering any questions that may develop.



Michael Nugent
Owner

TECHNICAL

Qualification

Mike Nugent is the owner and sole employee of Nugent Consulting Group LLC (NCG). Mike's background is as follows:

- 1981 Graduated from Xavier University (OH) with a bachelor's degree in accounting.
- 1981-1991 Arthur J. Gallagher & Company – The last position was an Area Vice President managing a service unit dedicated to public entity clients
- 1991-1993 Aon – Area Vice President in the middle markets division
- 1993 – 2024 Nugent Consulting Group LLC – owner

Nugent Consulting Group is located at 2409 Peachtree Lane in Northbrook.

Phone: [REDACTED]
Fax: (847) 919-3805
Email: Nugentllc@comcast.net

NCG provides risk management consulting primarily to governmental agencies in the Midwest. Current Clients (25 total) include:

LaSalle County
Village of Lombard
College of DuPage
Village of Streamwood

Besides LaSalle County, NCG has also worked in the past with DeKalb County (Insurance RFP project) and the City of Aurora (Insurance RFP). NCG also provides insurance pool management to several Illinois governmental insurance pools:

SSCRMP – 18 Public high schools in the north and northwest suburbs of Chicago
ICCRMC – 13 Community Colleges including College of DuPage
MCMRMA – 7 municipalities in McHenry County
MICA – 22 Municipalities including Streamwood, Glen Ellyn, South Elgin

Mike Nugent is an expert in governmental risk and insurance issues, including:

- Design and issuance of insurance broker RFPs / service evaluations
- Design and issuance of insurance coverage RFPs
- Third party administration RFPs and service evaluations
- Oversight of claims processing and emergency claims management

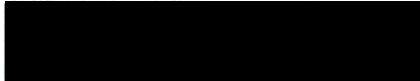
- Law Enforcement Risk Management (also use of Lexipol for model policies for key areas – pursuit / jails operations)
- Development and oversight of safety services for all departments
- Medical Operations risk management
- Airport operations risk management
- Risk Assessments
- Day to day risk management
- Contract reviews
- Management of certificate of insurance processes
- Develop cost allocation models (departmental)
- Loss Trend analysis

Mike carries the ARM-PE designation and has spoken at many industry events including IGFOA.

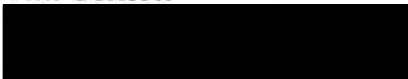
Mike will be the sole contact and provide all the required services in the Scope.

References

1. **LaSalle County**
Melissa Pilch



2. **Village of Lombard**
Tim Sexton



3. **College of DuPage**
Ellen Roberts



Scope

- **Ensure compliance with risk management policies, procedures, and protocols**

Comment: NCG provides this service to most current clients including LaSalle County.

- **Review insurance policies and contracts to ensure adequate coverage**

Comment: NCG provides this service to all current clients including LaSalle County.

- **Provide employee certificate training via on-line or virtual**

Comment: NCG provides this service to several current clients including LaSalle County.

- **Address Risk Exposures**

Comment: NCG provides this service to several current clients including LaSalle County.

- **Recommend steps for resolution**

Comment: NCG provides this service to several current clients including LaSalle County.

- **Ensure compliance with state and federal laws and accreditation standards related to safety and risk management**

Comment: NCG provides this service to several current clients including LaSalle County.

- **Gather loss and risk exposure information from Finance to develop loss projections**

Comment: NCG provides this service to several current clients including LaSalle County.

- **Perform risk assessments in emergency situations and make recommendations on appropriate course of action**

Comment: NCG provides this service to several current clients including LaSalle County.

- **Develop specifications for insurance brokers in submitting quotes / proposals**

Comment: NCG provides this service to all current clients including LaSalle County.

- **Research and determine the best practices related to risk management and related cost controls**

Comment: NCG provides this service to several current clients including LaSalle County.

Sample Proposed Timeline / Integration Plan

October 2024 – Meet with the appropriate staff to develop an annual calendar of services. collect copies of all insurance policies and the most recent insurer submission to gain insight into the current insurance program, exposures, and loss history

November 2024 – depending on the expiration of current coverages, engage with the insurance broker to develop a renewal plan designed to provide the broadest transfer of risk at the lowest cost

November 2024 – complete loss analysis and provide report

December 2024 – evaluate the scope of internal and external safety service provided to the County and develop a forward plan.

January 2025 – depending on the renewal date, oversee the renewal process including gathering exposure and loss data

February 2025 – evaluate the current TPA services / staffing / costs

Ongoing: All items listed in the Scope of Services

Price

See the separate price proposal. I have provided an hourly fee and am happy to work on a not-to-exceed basis if the County desires to cap costs.

Bid Exception

The only Bid exception is the insurance requirement to carry workers compensation coverage. As the sole employee of NCG, I am not required by Illinois law to carry workers compensation insurance and do not currently purchase the coverage. I can demonstrate medical insurance coverage and am happy to execute a waiver. I have all other insurance coverages listed in the bid document

SECTION 9 - PROPOSAL FORM

(PLEASE TYPE OR PRINT THE FOLLOWING INFORMATION)

Full Name of Offeror	NUGENT CONSULTING GROUP LLC
Main Business Address	2409 PITCHER LANE
City, State, Zip Code	NORMBLOCK IL 60062
Telephone Number	(847) 412-0410
Fax Number	(847) 919-3805
Proposal Contact Person	MIKE NUGENT
Email Address	NUGENTLLC@COMCAST.NET

The undersigned certifies that he is:

- the Owner/Sole Proprietor
 a Member of the Partnership
 an Officer of the Corporation
 a Member of the Joint Venture

herein after called the Offeror and that the members of the Partnership or Officers of the Corporation are as follows:



(President or Partner)

(Vice-President or Partner)

(Secretary or Partner)

(Treasurer or Partner)

Further, the undersigned declares that the only person or parties interested in this Proposal as principals are those named herein; that this Proposal is made without collusion with any other person, firm or corporation; that he has fully examined the proposed forms of agreement and the contract specifications for the above designated purchase, all of which are on file in the office of the Procurement Manager, DuPage Center, 421 North County Farm Road, Wheaton, Illinois 60187, and all other documents referred to or mentioned in the contract documents, specifications and attached exhibits, including Addenda No. _____, _____, and _____ issued thereto;

Further, the undersigned proposes and agrees, if this Proposal is accepted, to provide all necessary machinery, tools, apparatus and other means of construction, including transportation services necessary to furnish all the materials and equipment specified or referred to in the contract documents in the manner and time therein prescribed.

Further, the undersigned certifies and warrants that he is duly authorized to execute this certification/affidavit on behalf of the Offeror and in accordance with the Partnership Agreement or by-laws of the Corporation, and the laws of the State of Illinois and that this Certification is binding upon the Offeror and is true and accurate.

Further, the undersigned certifies that the Offeror is not barred from proposing on this contract as a result of a violation of either 720 Illinois Compiled Statutes 5/33 E-3 or 5/33E-4, proposal rigging or proposal-rotating or as a result of a violation of 820 ILCS 130/1 et seq., the Illinois Prevailing Wage Act.

The undersigned certifies that he has examined and carefully prepared this proposal and has checked the same in detail before submitting this proposal, and that the statements contained herein are true and correct.

If a Corporation, the undersigned further certifies that the recitals and resolutions attached hereto and made a part hereof were properly adopted by the Board of Directors of the Corporation at a meeting of said Board of Directors duly called and held and have not been repealed, nor modified and that the same remain in full force and effect. (Offeror may be requested to provide a copy of the corporate resolution granting the individual executing the contract documents authority to do so.)


Further, the offeror certifies that he has provided services comparable to the items specified in this contract to the parties listed in the reference section below and authorizes the County to verify references of business and credit at its option.

Finally, the offeror, if awarded the contract, agrees to do all other things required by the contract documents, and that he will take in full payment therefore the sums set forth in the cost schedule.

PROPOSAL AWARD CRITERIA

This proposal will be awarded to the most responsive, responsible vendor meeting specifications based upon the highest score compiled during evaluation of the proposals outlined in the selection process.

The Contractor agrees to provide the service described above and in the contract specifications under the conditions outlined in attached documents for the amount stated.

 _____
(Signature and Title)

CURNER

CORPORATE SEAL
(If available)

PROPOSAL MUST BE SIGNED FOR CONSIDERATION

Subscribed and sworn to before me this _____ day of _____ AD, 2024

My Commission Expires: _____
(Notary Public)

Limitations on the Authority of the County of DuPage to Contract

The County of DuPage ("County") is a non-home rule unit of local government under the Constitution and laws of the State of Illinois. Pursuant to Section 7 of Article VII of the Illinois Constitution of 1970, counties and municipalities which are not home rule units have only the powers granted to them by law and the powers set forth in the state constitution. Accordingly, and unlike Cook County and many of Illinois's larger municipalities, every action DuPage County takes must be tied to a specific constitutional or statutory grant of authority or be necessarily inferred from that specifically granted authority. Any action the County takes in excess of that authority is *ultra vires* and void *ab initio* as a matter of law.

During the course of the procurement process, vendors frequently provide standard form contracts or propose exceptions that contain terms which, though commercially reasonable in a particular industry, are outside of the County's authority to agree to. The most common areas of conflict involve proposed provisions that require the County to provide a vendor with an indemnity, exclude the state's attorney's participation in the selection and control of outside counsel, or provide for more aggressive payment and interest terms than are permitted by law.

Indemnification

DuPage County has no authority to provide an indemnity to a vendor. As noted above, the County has only those powers conferred by the Illinois Constitution or state law or which can be necessarily inferred from those powers. While state law does require the County to indemnify its officers and employees and authorizes it to indemnify a limited number of other governmental entities, the legislature has not authorized counties to indemnify private vendors. Moreover, the Illinois Constitution requires that all expenditures of public funds be for public purposes. In an indemnity agreement, the indemnifying party agrees to be liable for the costs associated with the defense of the other party. If the indemnified party is not a public entity, then an indemnification agreement would impermissibly require an expenditure of public funds the benefit of that private party and not for the public. Finally, an indemnity contract is an extension of the public credit and an agreement to undertake a liability. Such an extension of credit requires an appropriation for that purpose sufficient to cover the obligation at the time of contract formation.

Choice of Counsel, Waiver of Defenses

Under Illinois law, the state's attorney shall "defend all actions and proceedings brought against his county." Historical and judicial precedents along with various opinions of Illinois's attorneys general, interpret this language to mean that **the state's attorney is the exclusive legal representative of his county.** The state's attorney will generally appoint any attorney recommended to him by an indemnifying party or its insurance carrier who meets his approval as a "special" assistant state's attorney for the purposes of the litigation. While the state's attorney must retain the right to approve outside counsel and control the litigation, he will not interfere unreasonably with the indemnifying party's attorney selection or legal strategy (or those of its insurance carrier). The County has no authority to retain or permit counsel to represent its interests nor can it contract away the duties of the state's attorney. For this reason, the County also cannot contractually waive any defenses, privileges or immunities which may be available to it in litigation.

Payment Terms

The provisions of the Local Government Prompt Payment Act, 50 ILCS 505/1 et. seq. apply to all purchases made by DuPage County. The Act provides that the County must approve or disapprove of an invoice for goods or services within 30 days of the presentation of the invoice or delivery of the goods or services – whichever is later. The County then has 30 days after approval to pay any portion of the invoice which it has not disapproved. Interest, when permitted under the Act, accrues on a monthly basis at 1%. While the County may not offer payment or interest terms which are more generous to the vendor than authorized by the Act, the parties may agree to provide an incentive for more rapid payments.

The above list is not exhaustive, but it does address the most common areas of concern during the contract negotiation phase. **Accordingly, all prospective offerors are on notice that the County is without the authority to accept nor will it respond to any exceptions which purport to impose a duty on the County to indemnify a vendor, abridge the duties of the state's attorney, waive any legal privilege, defense, or immunity available to it, or obligate it to payment and interest terms other than as permitted by the Local Government Prompt Payment Act. Further all prospective offerors are on notice that any such provision in any standard form contract is unenforceable and void as a matter of law whether or not approved by the County.**

Please acknowledge your Acceptance of the Limitations on the Authority of the County of DuPage to Contract as stated above. Your signature below shall establish your consent to a contract subject to such limitation on the County's authority to contract. This page must also be incorporated as an exhibit to any contract the County will be asked to sign.

ACCEPTANCE

Receipt of the above ACCEPTANCE is hereby acknowledged by:

NUGENT CONSULTING GROUP LLC
(Contractor)

This 22 day of AUGUST, 2024

By: [REDACTED]

Title: OWNER