



Nassau County
Board of County Commissioners
Post Office Box 1010
Fernandina Beach, FL 32035-1010

Nick Deonas, Dist. 1
Ansley Acree, Dist. 2
Vickie Samus, Dist. 3
Floyd Vanzant, Dist. 4
Marianne Marshall, Dist. 5

Joseph M. "Chip" Oxley, Jr.
Ex-Officio Clerk

Michael S. Mullin
County Attorney

Walter D. Gossett
County Coordinator

July 9, 2003

Mr. James W. Powell, Jr.
~~Gallagher Benefit Services, Inc.~~
One Prestige Place
2600 McCormick Drive, Suite 130
Clearwater, Florida 33759

Dear Mr. Powell:

Effective July 30, 2003 the Nassau County Board of County Commissioners will terminate, without cause, the agreement with your company. Thank you for the opportunity to work with Gallagher Benefit Services, Inc. over the last year.

Sincerely,

A handwritten signature in cursive script, appearing to read "Vickie D. Samus".

Vickie D. Samus
Chairperson


cch

*Mailed
7-11-03*

(904) 225-2610 Board Room; 321-5782, (800) 789-6673

An Affirmative Action / Equal Opportunity Employer

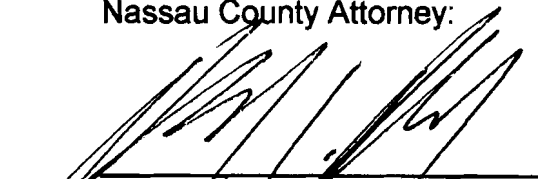
BOARD OF COUNTY COMMISSIONERS
NASSAU COUNTY, FLORIDA


VICKIE D. SAMUS
Its: Chairman

ATTEST:


J. M. "CHIP" OXLEY, JR.
Its: Ex-Officio Clerk

Approved as to form by the
Nassau County Attorney:


MICHAEL S. MULLIN

Agenda Request For : July 9, 2003

Department: Human Resources

Background: Gallagher Benefits Services, Inc. is a professional consultation company that provides assistance to HR on County insurance programs.

Financial/Economic Impact to Future Years Budgeting Process or Effect on Citizens: Services can be obtained from local source at a better rate.

Action requested and recommendation:

Sign letter to company notifying them that we are canceling the agreement without cause.


Is this action consistent with the Nassau County Comprehensive Land Use Plan? N/A

Funding Source: N/A

Reviewed by:

Legal:


Finance:

Management Committee: 

03 JUN 27 AM 9:56

COMMUNITY SERVICES

APPROVED

DATE 7-9-03 

AGREEMENT

THIS AGREEMENT is made and entered into this ~~1st~~^{13th} day of **May, 2002**, by and between **Nassau County Board of County Commissioners** ("Client"), and **ARTHUR J. GALLAGHER & CO.- FL**, a Florida corporation ("Gallagher").

I. RECITALS

- A. Client desires to receive professional consultation on its insurance program.
- B. Gallagher is engaged in the business of advising its clients on their insurance needs and providing consultation services.
- C. Gallagher desires to provide certain consulting services to Client and Client desires to have Gallagher provide such consulting services in accordance with the terms hereof.

II. TERM AND TERMINATION

A. TERM

This agreement shall be effective for an initial term of one (1) year commencing May 1, 2002 and shall remain in full force and effect until April 30, 2003. Thereafter, this agreement shall be automatically renewed for successive one-year terms until terminated at least thirty (30) days prior to expiration.

B. TERMINATION

Either party may terminate this Agreement, with or without cause, upon the conclusion of the initial term or the conclusion of any successive renewal term by providing thirty (30) days prior written notice. In the event either party materially breaches this Agreement at any time, this Agreement shall terminate upon the failure of the breaching party to remedy the breach within (30) days of receipt of written notice of the breach.

III. AGREEMENT

A. Obligations of Gallagher

Gallagher shall provide services in accordance with Exhibit A, attached hereto and made a part hereof.

B. Obligations of Client

1. Client shall pay Gallagher a Fee of Twenty-Thousand Dollars (\$20,000.00), due and payable in monthly installments of \$1,666.67.
2. In addition to the fees provided herein, it is understood and agreed that other parties, such as excess and surplus line brokers, wholesalers, re-insurance intermediaries, underwriting managers and similar parties, some of which may be owned in whole or in part by Gallagher's corporate parent, may earn and retain usual and customary commissions and fees in the course of

providing insurance products to Clients pursuant to this Agreement. Any such fees or commissions will not constitute compensation to Gallagher under Section III.B.1 above.

3. Client is responsible for payment of premiums for all insurance placed by Gallagher on its behalf.
4. If any amount is not paid in full when due, including premium payments to insurance companies, that nonpayment shall constitute a material breach of this Agreement that shall allow Gallagher to terminate this Agreement, at its options, in accordance with Section II.B.

C. Mutual Obligations

1. Ownership of Records and Documents

- a. Gallagher agrees that all books, records, lists of names, journals, ledgers and other recorded information developed specifically in connection with the administration of Client shall always be and remain the property of the Client. Gallagher agrees to keep all such material confidential and not to reproduce, disclose or disseminate the material or the information contained therein to third parties without the prior written consent of the Client. Upon termination of the Agreement for any reason, Gallagher shall immediately return all such material, and any copies thereof, to Client.

b. Client agrees that Gallagher is the owner of the following material and that Client has no right to its use following termination of this Agreement:

- I. Proprietary computer program;
- ii. Proprietary procedures and methods of administration; and
- iii. Underwriting and client files developed by Gallagher.

Client agrees to keep all such material confidential and not to reproduce, disclose or disseminate the material or the information contained therein to third parties without the prior written consent of Gallagher. Upon termination of this Agreement for any reasons, Client shall immediately return all such material, and any copies thereof, to Gallagher.

2. Employees of Gallagher

Client agrees that during the term of this Agreement and for a period of one year following the date of the termination of the Agreement, it will not utilize the services of:

- a. any individual who was an employee of Gallagher during the term of this Agreement, or any renewal, either as an employee or otherwise

to perform services for Client similar to those services provided by Gallagher under this Agreement; and

- b. any person, firm, partnership or company which employs any person who was an employee of Gallagher during the term of this Agreement, or any renewal, and whose duties in connection with such employment involved providing by Gallagher under this Agreement, whether or not such employees provided those services for Client.

3. Waiver of Nonperformance

No waiver of any default in performance on the part of Gallagher or like waiver by Client, or any breach or a series of breaches of any of the terms, covenants or conditions of this Agreement shall constitute a waiver of any subsequent breach of a waiver of said terms, covenants or conditions. Resort to any remedies referred to herein shall not be construed as a waiver of any other rights and remedies to which either party is entitled under this Agreement or otherwise.

4. Partial Invalidity

Should any part of this Agreement, for any reason, be declared invalid by a court of competent jurisdiction, the remaining portion shall remain in full force and effect as if this Agreement had been executed without the invalid portion.

5. Governing Law

The validity, interpretation and performance of this Agreement shall be controlled and construed according to the internal laws of the State of Florida.

6. Successors

This Agreement shall be binding upon and shall inure to the benefit of all assigns, transferees and successors in the interest of the parties hereto.

7. Entire Agreement; Modification of Amendment

This Agreement and the Exhibit hereto represent the entire and exclusive statement of the agreement of the parties and may be modified or amended only by a written statement signed by both parties. Such modification or amendment shall be attached to, and shall thereupon become a part of this Agreement.

8. Headings

Headings herein are for convenience of reference only and shall not be considered in any interpretation of this Agreement.

9. Practice of Law

It is understood and agreed that Gallagher will not perform, and Client will not request performance of, any services which may constitute the unauthorized practice of law.

10. Counterparts

This Agreement may be executed by the parties in several counterparts, each of which shall be deemed to be an original copy.

11. Remedies Not Exclusive

No remedy conferred hereunder is intended to be exclusive of any other remedy and each and every remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise.

12. Subcontracting

Gallagher may subcontract any of all of the services required to be performed by it hereunder.

13. Independent Contractor

Client and Gallagher agree that, in performing their obligations under this Agreement, they shall be, and at all times, are acting as independent contractors and not as the employee or agent of the other party. Nothing contained herein shall be construed to mean that the parties have any relationship or contractual liability other than as set forth in this Agreement. This Agreement shall not be construed to require or permit Gallagher to provide any consulting or other services for the Client which Gallagher is prohibited from providing under any applicable statute, law or regulation.

14. **Dispute Resolution. **See Attached Sheet.**

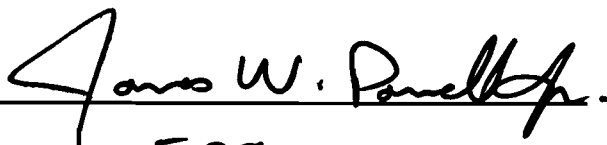
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the date first written above.

NASSAU COUNTY BOARD OF COUNTY COMMISSIONERS

By: SEE PROPER FORM ATTACHED

Date: _____

ARTHUR J. GALLAGHER & CO. (FLORIDA)

By: 

Date: 5-29-02

DISPUTE RESOLUTION:

Any dispute arising under this contract, which is not disposed of by agreement, shall be decided by a mediator, who shall reduce his/her decision to writing and furnish a copy to both parties. Claims, disputes or other matters in question between the parties to this Agreement arising out of or relating to this Agreement or breach thereof shall be submitted to mediation in accordance with mediation rules as established by the Florida Supreme Court. Mediators shall be chosen from the Supreme Court approved list of mediators in the Fourth Judicial Circuit and the cost of mediation shall be borne by the Consultant/Contractor. The decision of the mediator shall be final and conclusive unless determined by a court of competent jurisdiction to be fraudulent, capricious, arbitrary, or so grossly erroneous as to necessarily imply bad faith or not supported by substantial evidence. Contractor shall not stop work during the pendency of mediation.

~~Any decision from the mediator is binding upon the parties and the costs of mediation shall be equally split between Gallagher and Nassau County. In addition, the parties will each bear their own costs of mediation, including their own attorney's fees.~~

BOARD OF COUNTY COMMISSIONERS
NASSAU COUNTY, FLORIDA



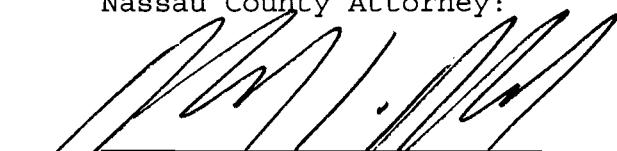
NICK D. DEONAS
Its: Chairman

ATTEST:



J. M. "CHIP" OXLEY, JR.
Its: Ex-Officio Clerk

Approved as to form by the
Nassau County Attorney:


MICHAEL S. MULLIN

NASSAU COUNTY BOARD OF COUNTY COMMISSIONERS

BROKERAGE / CONSULTING SERVICES

EXHIBIT A

GALLAGHER BENEFIT PROGRAM SERVICES

- Provide general review and comment on current structure of all insurance programs.
- Facilitate quotation and solicitation of requests for proposal for various Insurance programs.
- Data preparation and distribution of requests for proposal to providers.
- Review and negotiate proposals for Medical, Dental, Life, Disability, Flex and Voluntary benefit programs.
- Meet with representatives of current carriers and discuss issues and assist with negotiation of contract.
- Provide management report showing cost/benefit results of recommended changes.
- Meet on a regular basis to track plan results.
- Provide ongoing service and technical compliance support.

RECEIVED
6/10/02



Gallagher Benefit Services, Inc.

A Subsidiary of Arthur J. Gallagher & Co.

June 7, 2002

Mr. Michael S. Mullin
County Attorney
Nassau County
Board of County Commissioners
P.O. Box 1010
Fernandina Beach, FL 32035-1010

A handwritten signature in black ink, appearing to be 'J. Powell', written over a horizontal line.

**Re: Your Letter To Me Dated 5/30/02
Employee Benefit Program Consulting Agreement**

Dear Michael:

We are agreeable to removing the requested two sentence addition to the mediation section in the interest of working with Nassau County Board of County Commissioners.

Please send me an executed agreement at your earliest convenience.

I appreciate your assistance.

Best regards,

A handwritten signature in black ink that reads 'James W. Powell, Jr.'.

James W. Powell, Jr.
Area President

JWP:mt



Gallagher Benefit Services, Inc.

A Subsidiary of Arthur J. Gallagher & Co.

May 29, 2002

J.M. "Chip" Oxley, Jr.
Ex-Officio Clerk
Nassau County
Board of County Commissioners
P.O. Box 1010
Fernandina Beach, FL 32035

Re: Employee Benefit Program Consulting Agreement

Dear Chip:

I've enclosed an executed copy of the consulting agreement between Arthur J. Gallagher & Co., Gallagher Benefit Services division and Nassau County. We have added two sentences to the "dispute resolution" section for your reference.

Please call me at 727.796.6180 if you have any questions. I'll be looking forward to receiving back a certified copy of the agreement.

We appreciate your business.

Best regards,

James W. Powell, Jr.
Area President

JWP:mt

cc: Chili Pope, Human Resources Director



NASSAU COUNTY
BOARD OF COUNTY COMMISSIONERS
P. O. Box 1010
Fernandina Beach, Florida 32035-1010

May 30, 2002

Nick Deonas
David C. Howard
Vickie Samus
Floyd L. Vanzant
Marianne Marshall

Dist. No. 1 Fernandina Beach
Dist. No. 2 Fernandina Beach
Dist. No. 3 Yulee
Dist. No. 4 Hilliard
Dist. No. 5 Callahan

JOSEPH M. "Chip" OXLEY, JR.
Ex-Officio Clerk

MICHAEL S. MULLIN
County Attorney

WALTER D. GOSSETT
County Coordinator

Mr. James W. Powell, Jr.
Area President
Gallagher Benefit Services, Inc.
One Prestige Place
2600 McCormick Drive, Suite 130
Clearwater, FL 33759

RE: Employee Benefit Program Consulting Agreement

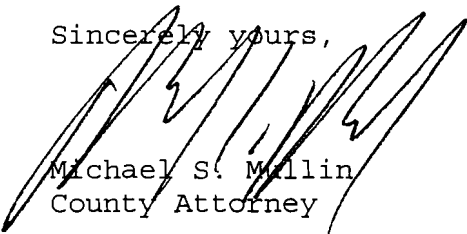
Dear Mr. Powell:

We have received the signed copy of the contract for the above referenced services. However, I noted you added two sentences to the Dispute Resolution Section. Those sentences are not acceptable due to the fact that the county has used the existing mediation language in all of its contracts for approximately five years. Any changes that you propose would have to be brought back and approved by the Board of County Commissioners, and therefore, I will have to take that contract to the Board at their June 10, 2002 meeting or we can strike the additional two sentences and proceed with the existing language.

Please advise as to how you would like me to proceed. I can tell you that I would recommend that the Board of County Commissioners not utilize the two sentences that you have added in the contract.

If you have any questions about this, please do not hesitate to contact me and I look forward to receiving your response.

Sincerely yours,



Michael S. Mullin
County Attorney

MSM:jb

CC: Walter D. Gossett, County Coordinator
J. M. "Chip" Oxley, Jr., Clerk
Chili Pope, Human Resources Director

CONTRACT SIGN OFF

PROJECT NAME Brokerage/consulting svc PROJECT # _____

VENDOR Arthur J. Gallagher & Company

ADDRESS _____

CONTRACT AMOUNT Not to exceed \$20,000

DATE REC'D 4-25-02

FUNDING SOURCE: _____

DATE TO PUBLIC WORKS DIRECTOR _____

REC'D PWD _____

DATE TO P.W. CONTRACT MGR _____

REC'D PWCM _____

DATE TO COUNTY COORDINATOR _____

REC'D CO COORD _____

DATE TO COUNTY _____

REC'D CO. ATTY _____

DATE TO _____

REC'D CLERK _____

Arthur J. Gallagher + Co. VAL

PUBLIC 1 2600 McCormick DATE _____

CONTRACT Dr. Ste. 130 DATE _____

COUNTY C Clearwater, FL DATE 05/07/02

COUNTY A: 33759 DATE 4/30/02

CLERK _____ DATE 5/07/02

APPROVAL BY BOARD OF COUNTY COMMISSIONERS

DATE SENT TO COORDINATOR FOR AGENDA PACKET _____

BOARD MEETING APPROVAL DATE 5-13-02

COPY DISTRIBUTION:
TO FINANCE DATE 5-14-02

TO VENDOR _____

TO OTHER APPROPRIATE PARTIES _____

PAYMENT & PERFORMANCE BONDS OBTAINED _____

Please return to Joyce by 4-30-02
CONTRACT SIGN OFF

PROJECT NAME Brokerage/consulting svc PROJECT # _____

VENDOR Arthur J. Gallagher & Company _____

ADDRESS _____

CONTRACT AMOUNT Not to exceed \$20,000 DATE REC'D 4-25-02

FUNDING SOURCE: _____

DATE TO PUBLIC WORKS DIRECTOR _____ REC'D PWD _____

DATE TO P.W. CONTRACT MGR _____ REC'D Pwcm _____

DATE TO COUNTY COORDINATOR _____ REC'D CO COORD _____

DATE TO COUNTY ATTORNEY _____ REC'D CO. ATTY _____

DATE TO CLERK _____ REC'D CLERK _____

CONTRACT APPROVAL

PUBLIC WORKS DIRECTOR _____ DATE _____

CONTRACT MANAGER _____ DATE _____

COUNTY COORDINATOR _____ DATE _____

COUNTY ATTORNEY _____ DATE 4/25/02

CLERK _____ DATE _____

APPROVAL BY BOARD OF COUNTY COMMISSIONERS

DATE SENT TO COORDINATOR FOR AGENDA PACKET _____

BOARD MEETING APPROVAL DATE _____

COPY DISTRIBUTION: _____

TO FINANCE DATE _____

TO VENDOR _____

TO OTHER APPROPRIATE PARTIES _____

PAYMENT & PERFORMANCE BONDS OBTAINED _____

Please return to Joyce by 4-30-02
CONTRACT SIGN OFF

PROJECT NAME Brokerage/consulting svc

PROJECT # _____

VENDOR Arthur J. Gallagher & Company

ADDRESS _____

CONTRACT AMOUNT Not to exceed \$20,000

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REC'D CO COORD _____

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REC'D CO. ATTY _____

DATE TO CLERK _____

REC'D CLERK _____

CONTRACT APPROVAL

PUBLIC WORKS DIRECTOR _____

DATE _____

CONTRACT MANAGER _____

DATE _____

COUNTY COORDINATOR _____

DATE _____

COUNTY ATTORNEY _____

DATE _____

CLERK *JWO*

DATE 4/30/02

APPROVAL BY BOARD OF COUNTY COMMISSIONERS

DATE SENT TO COORDINATOR FOR AGENDA PACKET _____

BOARD MEETING APPROVAL DATE _____

COPY DISTRIBUTION:

TO FINANCE DATE _____

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TO OTHER APPROPRIATE PARTIES _____

PAYMENT & PERFORMANCE BONDS OBTAINED _____