



REQUEST FOR PROPOSALS

OCTOBER 2, 2020

FY21-16 INSURANCE BROKERAGE SERVICES

SECTION I: INTRODUCTION

The City of Council Bluffs (City), located at 209 Pearl Street, Council Bluffs, IA, 51503, is seeking proposals from qualified and licensed insurance brokers to provide insurance broker services that include, but are not limited to:

- Insurance placement servicing (Appendix A)
- Risk exposure analysis
- General advice and claims assistance for general liability, automobile liability, automobile physical damage, Public Officials' liability, police professional liability, property, crime and boiler and machinery, and other typical liability insurance items.

The City operates under a strong mayor form of government with a five-member City Council. The City of Council Bluffs is a full-service community providing services such as police and fire protection; emergency medical aid; building safety regulations and inspection; street lighting; land use planning and zoning; housing and community development; maintenance and improvement of streets and related structures; traffic safety; and full range of recreational programs.

Departments in the City consist of the following: Office of the Mayor, City Clerk, Finance Department, Human Resources and Risk Management, Information Technology, Community Development, Parks & Recreation, Legal, Library, Fire and Emergency Services, Police Department, and the Public Works Department which consists of: Streets & Sewers, Engineering, Equipment Maintenance, Facilities Maintenance, Recycling Center, Traffic Maintenance, and Water Pollution Control. The City also owns the Mid-America Center and Bass Pro Shops buildings.

The City annual budget is approximately \$145,000,000.

Brokerage Firms interested in participating in this RFP must contact kriebe@councilbluffs-ia.gov for Appendix A.

SECTION II: GENERAL TERMS

Term of Contract: The selected broker will be designated for a three-year period commencing on January 1, 2021, with an option to renew the contract for three additional one-year periods by mutual agreement of both parties.

TERMINATION OF CONTRACT FOR CONVENIENCE - The City may terminate the Contract at any time by giving written notice to the Contractor of such termination and specifying the effective date thereof, at least sixty (60) calendar days before the effective date of such termination. In that event, all finished or unfinished Work, reports, materials(s) prepared or furnished by the Firm under the Contract shall, at the option of the City, become its property. If the Contract is terminated by the City as provided herein, the Firm shall be paid for all Work which has been authorized, provided, and approved up to the effective date of termination. The City will not be subject to any termination fees from the Firm.

TERMINATION FOR CAUSE AND DEFAULT - If through any cause, the Firm shall fail to fulfill in a timely and proper manner its obligations or if the Firm shall violate any of the terms or conditions of the Contract, the City shall thereupon have the right to terminate the Contract by giving written notice to the Firm of such termination and specifying the effective date of termination. In that event, and as of the time notice is given by the City, all completed Work, reports, and delivered materials shall, at the option of the City,

become its property, and the Firm shall be entitled to receive compensation for any satisfactory Work completed. Notwithstanding the above, the Firm shall not be relieved of liability to the City for damage sustained by the City by virtue of breach of the Contract by the Firm and the City may withhold any payments to the Firm for the purpose of set off until such time as the exact amount of damages due the City are determined. The City reserves the right to hire someone else to do the work and the Bidder would be responsible for difference in bid amount and actual amount paid by City to different Firm.

The selected Firm must be an equal opportunity employer and be licensed in the state of Iowa.

The City of Council Bluffs reserves the right to accept or reject, either in whole or part, any and all submittals in response to this request, to waive irregularities, or take whatever action deemed necessary to protect the City's best interests.

The City reserves the right to allow alterations, modifications or revisions to individual elements of the Scope of Services any time during the period of contracts which result from this RFP.

In accordance with Iowa open records laws, all material submitted regarding this proposal becomes the property of the City and materials/documents are available for public inspection after the final selection has been made. As property of the City, the City has the right to use the information contained in the submittal. Any information deemed proprietary must be marked as such. It will then be reviewed by the City's attorney to determine if it is proprietary, according to Iowa law. Firms shall not mark entire proposals as proprietary.

The City is not responsible for any costs incurred by the Firm prior to conveying this agreement or its rights, title or interest therein or its power to execute such agreement to any other person, company or corporation with the prior written consent of the City. During the project, the Firm will only be reimbursed for expenses which are approved in advance by the City. The City will not reimburse for travel, fuel, per diems, or any other miscellaneous expenses incurred that had not been previously agreed upon.

The City reserves the right to make reference checks with any client listed in the documents for further information and verification of the Firm's qualifications. The City reserves the right to request clarification of information submitted and to request additional information of one or more Firms, either orally or in writing.

Proposals will be considered from Firms normally engaged in providing and performing services as specified in this RFP. The firm must have adequate organization, facilities, equipment and personnel to ensure prompt and efficient service to the City.

According to the City of Council Bluffs Municipal Code 1.40, discrimination of race, color, religion, creed, sex, sexual orientation, gender identity, national origin, age or mental or physical disability is prohibited in any form. This extends to any and all partner agencies and contractual obligations.

Any questions regarding this proposal shall be submitted to kriebe@councilbluffs-ia.gov by October 15, 2020 at 2:00 p.m. Any questions received via phone, in person, or after that deadline will not be addressed by any city personnel. Any changes or additions to the RFP information will be posted on the City's website, www.councilbluffs-ia.gov, no later than 3:00 p.m. October 16, 2020.

By submitting a Proposal, the Firm declares that the submission is made without any previous understanding, agreement or connections with any persons, Firms or corporations making a competing submission on the same project, and that it is in all respects, fair and in good faith without any outside control, collusion, or fraud.

Insurance and Indemnity Requirements: To the extent permitted by law, the Firm shall indemnify and hold harmless the City of Council Bluffs, its agents, boards and employees from and against all loss, cost damages, expense and liability of any kind arising from the willful or negligent acts, errors or omissions of the Firm in the performance of professional services provided to the City.

The Firm further agrees that it currently has an insurance policy providing a prudent amount of coverage for the willful or negligent acts or omissions of any officers, employees or agents thereof for any contracts entered into with the City. A prudent amount of coverage shall be determined at the sole discretion of the City.

SECTION III: SCOPE OF SERVICES

The successful firm will be responsible for the marketing, evaluation, and service of insurance placements in Appendix A on behalf of the City of Council Bluffs. They will also consult on coverage interpretation, risk reduction strategy, regulatory compliance with local, state, and national authorities, and cost recovery associated with damages to City property or claims brought against the City. Examples of duties may include but are not limited to the following:

1. Evaluate the City's existing insurance program, and as necessary, recommend changes to terms, conditions, or coverage limits to ensure the program is affordable and adequately protects the City.
2. As soon as possible upon hiring, the chosen candidate should perform a review of the City's current exposure.
3. Evaluate the City's participation in applicable insurance pools and cost sharing programs for property casualty and workers compensation.
4. Provide advice to City Administration on ways to strengthen City loss prevention and safety programs.
5. Provide safety and loss prevention services.
6. Assist City Administration with excess claim submission and handling process.
7. Inspect the City's properties the initial year of the contract and every three years following the initial year and update building and property values as appropriate.
8. Negotiate with underwriters on behalf of the City and obtain insurance coverage that best meets the City's requirements at the least cost, while also advising on the carrier's financial strength, and their claim handling practices with other similar municipalities for losses within the coverage secured.
9. Verify that new policies, binders, certificates, endorsements and other documents are accurate and reflect the terms and conditions agreed during negotiations.
10. Assign a representative to the City who will be responsible for communication with City officials and to respond to all insurance related questions and request for advice from the City administration in a timely manner.

11. Keep City administration informed of pertinent market developments that might affect the City's access to, or cost of, insurance prior to renewal.
12. Provide the City with Municipal market trends and news updates on a regular basis; no less than quarterly.
13. Assist City administration to coordinate inspection, audit and other Carrier requests.
14. Issue Certificates of Insurance as required for the City to comply with requirements from vendors or various government bodies.
15. Provide loss runs for Carriers.
16. Attend meetings with City representatives, as requested.
17. Provide legal updates and assist in maintaining compliance with all Federal and State laws and programs.
18. Provide the City with documentation showing the cause for any policy rate changes year over year.

SECTION IV: CONTENTS OF PROPOSAL

Proposals are limited to thirty (30) total 8.5 x 11 pages of content. Items not included in the page limitation include: front and back covers, tabs, table of contents, and cover letter. The evaluation committee will independently evaluate the merit of proposals received in accordance with the evaluation criteria outlined below. Proposal shall include:

1. **Opening Statement:** State the most compelling reason why the City should select your Firm as its Broker. Include your methods to review claims experience, claim service, and claim administration.
2. **Minimum Qualifications:** Provide an Executive Summary on the Firm's letterhead which summarizes the proposal, scope of services and bears the signature of the individual authorized to bind the Firm.

The following information must be provided to determine if the Broker meets the minimum qualifications. If your Firm cannot provide these items, please do not submit an RFP.

- a) Confirm that the Broker is currently licensed in Iowa to provide the insurance services described herein and provide supporting documentation (i.e. Broker Certificate of Authority).
 - b) The Broker's office address that would be assigned to directly service the City.
 - c) A brief statement confirming that the Firm serves as an independent Broker.
3. **Contact Information:** Provide general information for the firm including: name, address, office telephone number, office fax number, and email address of the principal individual contact responsible for the RFP response.
 4. **Firm Overview:** Provide general information about the history of the firm, overview of qualifications pertinent to this RFP and demonstration of comparable services for other municipalities in Iowa. Include a listing of the insurance carriers and vendors with which your organization bids and places insurance contracts.

5. **Understanding of the Scope of work:** Provide the firm's understanding of the scope of work as described herein. Include a description of the firm's experience working with municipalities similar in size, types of exposures to the City and in the types of policies and coverage referenced in Appendix A.

6. **Concept and Solution:**

- a. Discuss in detail the scope of services the Firm will provide to the City of Council Bluffs
 - i. Identify the services the Firm would not provide to the City.
 - ii. Identify additional services the Firm would provide to the City. Indicate which additional services would carry an additional cost.
- b. Provide a technical plan/tentative work schedule displaying tasks and an estimate of time envisioned by the Firm in its relationship with the City during the first twelve months after contract award.

7. **Schedule of Fees:** The proposal shall include an annual flat fee for services, inclusive of all professional services, clerical support, travel, transportation and other costs required to perform the services outlined in the Scope of Services, and any additional services detailed in your proposal. The annual flat fee for service shall be quoted for each contract year, e.g., year 1, year 2 and year 3.

As noted above, the parties, through mutual agreement, may extend the agreement for three (3) additional one (1) year terms. Proposal must include the annual flat fee for services for years four, five, and six.

If fees are commission based, provide a not to exceed commission percentage of premium cost. Percentages must be included for all six years of the potential contract. Provide documentation of all other fees associated with the firm's brokerage services/deliverables that the City will be subject to, if applicable. **Note:** the lowest price proposal will not necessarily be selected. Technical components will be weighed in addition to costs to ensure the City is procuring best value versus lowest price.

For award purposes, Firms must submit pricing based off of the structure (coverage amounts, premiums, self-insured retention rates, etc) of the City's current policy. Upon award, the City reserves the right to explore other options with the firm for actual implementation.

8. **Personnel:** Provide a list of local personnel available to provide brokerage services to the City. Include designations for the primary project representative and those who will provide both redundant and supplemental services. Include an up-to-date resume for all personnel along with a list of active professional certifications.

The personnel section of the proposal shall include an organizational chart to highlight which individuals will be provided to cover all the disciplines required to perform the full scope of work described herein. Specifically note if any personnel in the firm, not just those assigned to the City's account, have any affiliation with a group or individual that would prohibit the firm from working directly with the City of Council Bluffs.

References: Provide a minimum of five references of clients with a similar scope for which the firm has provided brokerage services within the last five years. Include contact names, titles, phone numbers and email addresses. It is preferred that at least two of the references be Iowa municipalities with a population the same or larger than Council Bluffs'. References must be submitted to kriebe@councilbluffs-ia.gov by October 15, 2020 at 2:00 pm.

SECTION V: TIMELINE AND SUBMISSION PROCEDURES

The City anticipates the following general timeline for this RFP. The anticipated schedule may be changed if it is in the City’s best interest to do so.

- RFP Advertised – October 2, 2020
- Deadline for Questions from Proposers – October 15, 2020 at 2:00 pm
- References due to Purchasing – October 15, 2020 at 2:00 pm
- Deadline for Proposal Submittal – October 22, 2020 at 10:00 am. Late proposals will not be considered.
- Committee evaluations complete; gain consensus for award – October 27/28, 2020
- Submit documents for Council—October 30, 2020
- Award at Council Meeting – November 9, 2020 at 7:00 pm
- Kickoff Meeting – November 10, 2020 at 10:00 am at City Hall
- Services start – January 1, 2021

Qualified applicants shall submit one (1) original copy of the proposal in a sealed envelope and one (1) electronic copy via flash drive to:

City of Council Bluffs
Attn: Kim Riebe, Purchasing Officer
209 Pearl Street, Council Bluffs, IA 51503

SECTION VI: EVALUATION CRITERIA & SELECTION PROCESS

All submittals will be evaluated by the City’s selection committee based on the following criteria:

- Relevant experience and firm qualifications – 30%
- Relevant experience and qualifications of key personnel – 25%
- Satisfactorily completed similar services – 15%
- Cost – 30%

Upon completion of the selection process, the City will commence negotiations with the selected Firm to establish a final scope of services and an appropriate fee to be paid to the Firm for such services. If an agreement cannot be made, negotiations will be suspended and may commence with any other Firm.

The City Attorney shall prepare the final agreement between the City and the selected Firm. The selection committee will forward a final recommendation for selection to the City Council for their consideration and approval.

City of Council Bluffs' Current Insurance Coverage Summary

Insurance

| <u>Insurance Category</u> | <u>Coverage Limit</u> |
|---|------------------------------------|
| <u>Property/Equipment:</u> | |
| Property | \$50,000,000 |
| Excess Property | \$150,000,000 |
| Equipment Breakdown | \$150,000,000 |
| <u>Inland Marine:</u> | |
| Contractors Equipment | \$9,197,603 |
| Leased/Rented Equipment | \$350,000 |
| Municipal Vehicles Open Lot | \$5,000,0000 |
| <u>Liability:</u> | |
| General Liability | \$9,500,000/\$15,000,000 Aggregate |
| Automobile Liability | \$5,000,000 |
| Public Officials & Employment Practices | \$9,500,000/\$12,000,000 Aggregate |
| Limited Sexual Abuse Sublimit | \$2,000,000/\$2,000,000 Aggregate |
| Employed Professional Liability – EMTs | \$1,000,000/\$2,000,000 Aggregate |
| Pollution Liability | \$2,000,000/\$4,000,000 Aggregate |
| <u>Flood:</u> | |
| Flood- Waste Water Plant | \$250,000 |
| Excess Flood | \$10,000,000 SFHA/\$2,000,000 MFHA |
| <u>Terrorism:</u> | |
| General Liability | \$1,000,000/\$2,000,000 Aggregate |
| Property Terrorism | \$150,000,000 |
| <u>Crime:</u> | |
| Employee Theft | \$500,000 |
| Forgery of Alteration | \$500,000 |
| Computer Fraud | \$500,000 |
| Funds Transfer Fraud | \$500,000 |
| Social Engineering | \$100,000 |
| <u>Cyber:</u> | |
| Network, Security, Privacy & Media | \$3,000,000 |
| Privacy Breach Costs | \$3,000,000 |
| Business Income Loss | \$3,000,000 |
| Contingent Business Income Loss | \$3,000,000 |
| Digital Asset Loss | \$3,000,000 |
| Cyber Extortion Threat | \$3,000,000 |
| <u>Workers' Compensation:</u> | |
| Excess Workers' Compensation | STATUTORY |
| Excess Employers Liability | \$1,000,000 |

City of Council Bluffs' Current Insurance Coverage Summary

Values

| | |
|--|----------------------|
| Total building and Property Values: | \$313,093,268 |
| Monuments: | \$9,329,069 |
| Contractor's Equipment: | \$9,197,603 |
| Municipal Vehicles, including Fire Engines and Ambulances: | \$10,197,503 |
| Valuable Papers: | \$6,800,266 |
| EDP: | \$1,079,857 |
| Siren Sites & Towers: | \$344,341 |
| West Broadway Gateway: | \$5,293,895 |

City of Council Bluffs' Current Insurance Coverage Summary

Self-Insured Retention Rates

| | |
|------------------------------------|--|
| Boiler & Machinery | \$10,000 |
| Crime | \$7,500 |
| Cyber | \$25,000 |
| Flood- Waste Water Treatment Plant | \$1,000 |
| Inland Marine | \$25,000 |
| Inland Marine-Over the Road | \$100,000 |
| Pollution | \$500,000 |
| Property | \$100,000; Wind/Hail 3% subject to \$1,000,000 combined Property Damage and Time Element |
| Public Entity | \$500,000 |
| Terrorism | \$2,500 |
| Workers' Compensation | \$600,000 |