

City of Prineville
Request For Proposals
Insurance Agent of Record

The City of Prineville invites applications from licensed agents or brokers to act as “Insurance Agent of Record” to provide support to the City in the areas of property, bonding, liability, and other risk management issues. The City invites qualified individuals or firms to submit proposals based upon the scope of work contained in the RFP.

SEALED PROPOSALS, in writing, will be received by the City of Prineville, c/o Mary Puddy, Team Services Director, 387 NE Third Street, Prineville, OR 97754, until 2 p.m., September 24, 2007. Facsimile proposals will not be accepted. Late proposals will be returned to the applicant unopened. Proposals will be opened at 2 p.m., September 24, 2007, at Prineville City Hall, 387 NE Third Street, Prineville, Oregon.

The City of Prineville may cancel the procurement or reject any or all proposals in accordance with ORS 279B.100.

The City of Prineville’s programs, services, employment opportunities, and volunteer positions are open to all persons without regard to race, religion, color, national origin, sex, age, martial status, sexual orientation, source of income, physical or mental disability, or political affiliation.

Published: Daily Journal of Commerce

Date:

**City of Prineville
Insurance Agent of Record**

Instructions to Proposers

General Instructions:

The City of Prineville invites qualified individuals or firms to submit proposals to provide property and liability insurance and risk management support as described in the specifications set forth in this request for proposal.

Submission of Proposal:

Four copies of the proposal must be delivered to Team Services Director, City of Prineville, 387 NE Third Street, Prineville, Oregon 97754, not later than 2 p.m. September 24, 2007. Late proposals will be returned to the Proposers unopened.

Official Contact:

Questions regarding the Scope of Services required or a clarification of RFP requirements must be directed to:

Mary Puddy
Team Services Director
387 NE Third Street
Prineville OR 97754
(541) 47-5627, ext 109

Written questions must be received no later than September 12, 2007. A response in the form of an addendum to the RFP will be issued if a substantive clarification is in order.

Ownership of Documents:

Any reports, studies, conclusions and summaries prepared by the Proposer shall become the property of the City.

Confidentiality of Information:

Any proprietary information furnished by a Proposer to the City that is designated confidential shall be treated as confidential to the City to the extent allowable by law.

Addenda:

The City may modify the RFP at any time prior to the RFP due date by issuance of an Addendum to all Proposers who are participating in the process at the time the Addendum is issued. Addenda will be numbered consecutively and initiated by the Team Services Department. Verbal modifications to the RFP specifications shall not be binding upon the City.

Federal & State Taxpayer Identification:

Proposals must state the Proposer's Federal and State Taxpayer Identification number. Upon award of proposal, contractor shall complete a W-9 form for the City.

Hold Harmless:

The Proposer shall hold harmless, defend and indemnify the City and the City’s officers, agents, and employees against liability that may be imposed upon them by reason of the Proposer’s failure to provide worker’s compensation coverage and liability coverage.

Method of Selection:

A selection panel will evaluate each submitted written proposal to determine the highest-ranking Proposal. Selection may be made by selecting the highest ranking Proposer or negotiations with the highest ranking Proposer. Each Proposal will be rated on a 1-4 score and then a multiplier will be used to determine the maximum number of points in the following categories:

Category

1. Ability to meet with City Representatives on three-hour notice.
Ability to provide the required services.
2. Past experience with the City of Prineville or similar local governments.
3. Extensive background working with the statutes and regulations, which govern the provision of service by local governments.
4. The background and qualifications of the members of the Proposer’s team.
5. The proposed fee/commission for the service.

Interview:

At the option of the City, a Proposer **may** be required to make a presentation of their proposal. This will provide an opportunity to clarify or elaborate on the proposal, but will not, in any way provide an opportunity to change any fee amount originally proposed. If the City chooses to have presentations, they will schedule and notify the Proposer(s) of the time and location of their presentation.

Notice of Intent:

At least seven days before award of the contract, the City will post or provide to each Proposer notice of the City’s intent to award a contract.

Contract:

A copy of the Personal Services agreement that the City expects the successful Proposer to execute is included as Attachment 1. Any proposed changes in the language, construction, or requirements of the contract must be raised and resolved as part of the RFP process. All Proposers are advised to view and clearly document any proposed changes to the contract and include with their proposal.

The successful Proposer(s) agrees to enter into the attached City Personal Services agreement within 10 calendar days after being notified of the City Council's approval and award of the bid.

Proposal Rejection:

The City reserves the right to:

1. Reject any or all proposals not in compliance with all procurement procedures and requirements;
2. Reject any proposal not meeting the specification set forth herein;
3. Waive any or all irregularities in proposals submitted;
4. Reject all proposals;
5. Award any or all parts of any proposal; and
6. Request references and other data to determine responsiveness.

Appeals:

Proposers who wish to appeal a disqualification of proposal or the award of a contract may submit the appeal in writing to the City's Team Services Department within seven (7) days of the postmarked Notice of Award or disqualification.

The appeal must describe the specific citation of law, rule, regulation or practice upon which the protest is based. The judgment used in the scoring by individual evaluators is not grounds for appeal.

Proposal Validity Period:

Each proposal shall be irrevocable for a period of sixty (60) days from the proposal due date.

Term of Contract:

The term of the contract shall be a period of three (3) years with the option to renew for an additional two (2) years at the discretion of the City and the Proposer(s). The total term of the contract cannot exceed five (5) years.

Termination:

The contract may be terminated by mutual consent of both parties or by the City at its discretion with a 30 days' written notice.

Non-Collusion:

Proposer certifies that this proposal had been arrived at independently and has been submitted without collusion designed to limit independent bidding or competition.

General Specifications

The purpose of this request for proposal is to select one independent contractor to serve as Insurance Agent(s) of Record who will provide the City of Prineville with insurance and risk management support in the areas of liability, property, bonding, and other risk management issues.

Risk Management Program

Scope of Services Required

The City of Prineville is requesting proposals for its liability and property coverage. The City does not currently self-insure for any liability, property or worker's compensation coverage. The City currently has a population of 9990 and employs approximately 65 full time employees who receive our full range of employee benefits as provided for within our non-union and union contracts.

Minimum Requirements:

The minimum requirements must be met by any agency submitting a proposal:

1. The agent and agency must be licensed according to Oregon law to operate in the State.
2. The qualified principal or account person must have a minimum of 5 years active experience in commercial lines and risk management consulting, and significant experience insuring government entities. A designated second principal with comparable qualifications is required. An account person with at least 5 years active experience in workers compensation coverage and loss control consulting is also required.
3. The agent or agency must have been in the insurance and/or risk management business for a minimum of ten years.
4. The agent or agency must maintain offices in the State of Oregon and be available personally within 3 hours for emergencies.
5. The agency must have at least two qualified principals or account executives as well as trained office staff.

Scope of Services:

The Firm selected will be required to perform the services outlined below:

1. Assist in the design of a comprehensive insurance program, addressing retention levels, broadest available coverage terms and insurer financial security.
2. Organize underwriting renewal information and prepare insurance specifications.
3. Prepare marketing strategies for procuring City insurance for review by the City.
4. Approach insurance marketplace on behalf of City. Analyze insurer proposals with respect to cost, coverage and stability of insurers. Review proposals received from insurance companies for conformance with specifications and present quotations to City in a spreadsheet format detailing and comparing coverage, forms and pricing. Make recommendation to City Management for approval. Negotiate final renewal terms.
5. Obtain policies from insurance carriers and forward to City in a timely fashion. Keep City apprised of any delays.

6. Review all binders, policies and endorsement to assure coverage is as intended. Verify accuracy of all policies, endorsements and invoices prior to delivery.
7. Maintain a summary listing of all policies and endorsements that identify the type of coverage, insurance company name and policy number, policy period, coverage synopsis and a brief synopsis of significant coverage features, policy limits, deductibles, and the premiums. Update summary pages as revisions occur. Identify potential or actual uninsured and underinsured exposures.
8. Issue Certificates of Insurance and other evidence of insurance as requested or required.
9. Place, cancel and otherwise handle, at the direction of the City and for the benefit of the City all placements, binders, policies and endorsements as requested by the City in a timetable that would avoid lapses in coverage.
10. Assist City in submittal of claims to insurance carriers. Interface with carrier when coverage issues arise.
11. Maintain insurable values on buildings at replacement values to include new construction and make statement available to the City.
12. Consult with the Risk Manager when called upon throughout the year on any matters pertaining to the operation of the City's insurance and safety programs.
13. Be available to attend meetings, including but not limited to, the Executive Risk Management quarterly meetings. Respond to questions in a timely manner.
14. Prior to renewal of insurance policies, Agent shall analyze losses and loss history trends, with frequency and severity information on losses. Agent shall provide forecasts and loss retention analysis when appropriate.
15. Supply City's Risk Manager a budget letter for estimated premiums that will be required for the next fiscal year. This requires a projection of new total property values, including any completed construction or contemplated acquisitions. Based on this review and a survey of current market trends, a total premium is projected. This is due no later than March 1st each year.
16. Prepare an annual report for delivery to the Risk Manager. This report is to include any pertinent information relative to new or changed coverage, companies, amounts of premiums, term of policies, deductibles, and claims history and trends. This report will also include information about the services provided by Agent and issues the City should address during the next contract year. This report shall be given to the Risk Manager no later than March 1st of each year.
17. Assist City, as needed, in evaluation and recommendation in the areas of safety loss control, review of Certificates of Insurance provided by contractors and other vendors.
18. Review and evaluate proposed insurance language for City contracts. Discuss with City staff, including the City attorney, recommended insurance language for City contracts.
19. Provide other such services consistent with devising, adopting, administering or revising plans of insurance coverage for the City.

Proposal Content & Format

To provide a degree of consistency in review of the written proposals, firms are requested to prepare their proposals in the format described below.

Title Page

Proposer should identify the RFP subject, company name, name and title of contact person, address, telephone number, fax number, email address, state of incorporation, or organization, website if any, and date of submission.

Cover Letter

All proposals must include a cover letter signed by a duly constituted official legally authorized to bind the applicant to both its proposals and cost schedule. The cover letter must contain the following statements and information:

1. "Proposal may be released in total as public information in accordance with the requirements of the laws covering the same." (Any proprietary information must be clearly marked.)
2. "Proposal and cost schedule shall be valid and binding for sixty (60) days following proposal due date and will become part of the contract that is negotiated with the City."

Firm Qualifications

Give a background of the firm. This should include a brief history of the firm, date founded, ownership, and any subsidiary relationships. Also list the types of services the firm is qualified to perform. Give examples of experience and references for similar services to local governments. List examples of your firm's advisory services. Describe your firm's research capability and resources.

Personnel

Provide the names of key personnel who would be directly involved in providing services to the City of Prineville. Describe their relationship in the firm, the role they would play, their experience qualifications and years of service with the firm and in the insurance industry.

Service Approach

Submit a work plan to accomplish the scope of services as described on page 5 & 6. Indicate the extent to which City personnel would be expected to contribute to the service work effort.

Reporting

Describe the nature of the reports you would provide and enclose examples.

Compensation

The City is requesting Agents proposals provide a straight fee-based proposal, a commission-based proposal, or a combination of the two. Include written justification for such fees. Please identify which fees are fee-based and which are commission-based. Identify any other charges that would, or could, be billed in connection with the agent services to be provided. Set forth any alternate fee structure that you would like the City to consider and explain why you think it is preferable.

References

Please list three or more public sector references for which you are now servicing as Agent of Record (preferably close to Prineville in size) and provide the organization's name, contact person and their title, and phone number.

Disputes

Should any doubt or difference of opinion arise between the City and a Proposer as to the items to be furnished hereunder or the interpretation of the provisions of this RFP, the decision of the City shall be final and binding upon all parties.

Clarification of Proposals

The City reserves the right to obtain clarification of any point in the firm's proposal or to obtain additional information necessary to properly evaluate a particular proposal. Failure of a Proposer to respond to such a request for additional information or clarification could result in rejection of the firm's proposal.

**CITY OF PRINEVILLE, OREGON
AGREEMENT FOR PERSONAL SERVICES CONTRACT
INSURANCE AGENT OF RECORD**

THIS AGREEMENT is entered into between the City of Prineville, an Oregon municipal corporation, hereinafter referred to as “City,” and _____ whose address is _____, hereinafter referred to as “Agent.”

IN CONSIDERATION for the sums to be paid pursuant to this Agreement, Agent agrees to perform all items described in the following scope of work:

A. Scope of Work

1. Assist in the design of a comprehensive insurance program, addressing retention levels, broadest available coverage terms and insurer financial security.
2. Organize renewal underwriting information and prepare insurance specifications.
3. Prepare marketing strategies for procuring City insurance for review by the City.
4. Approach insurance marketplace on behalf of City. Analyze insurer proposals with respect to cost, coverage and stability of insurers. Review proposals received from insurance companies for conformance with specifications and present quotations to City in a spreadsheet format detailing and comparing coverage, forms and pricing. Make recommendation to City Management for approval. Negotiate final renewal terms.
5. Obtain policies from insurance carriers and forward to City in a timely fashion. Keep City apprised of any delays.
6. Review all binders, policies and endorsement to assure coverage is as intended. Verify accuracy of all policies, endorsements and invoices prior to delivery.
7. Maintain a summary listing of all policies and endorsements that identify the type of coverage, insurance company name and policy number, policy period, coverage synopsis and a brief synopsis of significant coverage features, policy limits, deductibles, and the premiums. Update summary pages as revisions occur. Identify potential or actual uninsured and underinsured exposures.
8. Issue Certificates of Insurance and other evidence of insurance as requested or required.
9. Place, cancel and otherwise handle, at the direction of the City and for the benefit of the City all placements, binders, policies and endorsements as requested by the City in a timetable that would avoid lapses in coverage.
10. Assist City in submittal of claims to insurance carriers. Interface with carrier when coverage issues arise.

11. Maintain insurable values on buildings at replacement values to include new construction and make statement available to the City.
12. Consult with the Risk Manager when called upon throughout the year on any matters pertaining to the operation of the City's insurance and safety programs.
13. Be available to attend meetings when needed. Respond to questions in a timely manner.
14. Prior to renewal of insurance policies, Agent shall analyze losses and loss history trends, with frequency and severity information on losses. Agent shall provide forecasts and loss retention analysis when appropriate.
15. Supply City's Risk Manager a budget letter for estimated premiums that will be required for the next fiscal year. This requires a projection of new total property values, including any completed construction or contemplated acquisitions. Based on this review and a survey of current market trends, a total premium is projected. This is due no later than March 1st each year.
16. Prepare an annual report for delivery to the Risk Manager. This report is to include any pertinent information relative to new or changed coverage, companies, amounts of premiums, term of policies, deductibles, and claims history and trends. This report will also include information about the services provided by Agent and issues the City should address during the next contract year. This report shall be given to the Risk Manager no later than March 1 of each year.
17. Assist City, as needed, in evaluation and recommendation in the areas of safety loss control, review of Certificates of Insurance provided by contractors and other vendors.
18. Review and evaluate proposed insurance language for City contracts. Discuss with City staff, including the City attorney, recommended insurance language for City contracts.
19. Provide other such services consistent with devising, adopting, administering or revising plans of insurance coverage for the City.

B. Effective Date and Duration

This agreement shall become effective upon the date of execution, and shall expire, unless otherwise terminated or extended, on November 16, 2010.

C. Consideration

City agrees to pay to Agent according to the payment schedule attached as Exhibit A to this Agreement and by this reference made a part hereof.

D. Status of Agent as Independent Contractor

1. Agent shall be an independent contractor for all purposes related to this agreement and not an employee of the City, thus he/she shall not be entitled to benefits of any kind that an employee of the City is entitled and shall be solely responsible for all payments and taxes required by law.

2. The undersigned Agent hereby represents that no employee of the City, or any partnership or corporation in which a City employee has an interest, has or will receive any remuneration of any description from Agent, either directly or indirectly, in connection with the letting or performance of this Agreement, except as specifically declared in writing.
3. Agent certifies that it currently is a business registered with the State of Oregon.
4. Agent is not an officer, employee, or agent of the City as those terms are used in ORS 30.265.

E. Indemnity

City has relied upon the professional ability and training of Agent as a material inducement to enter into this Agreement. Agent warrants that all its work will be performed in accordance with generally accepted professional practices and standards as well as the requirements of applicable federal, state and local laws, it being understood that acceptance of an Agent's work by City shall not operate as a waiver or release.

Agent acknowledges responsibility for any and all liability arising out of the performance of this Agreement and agrees to hold City harmless from and indemnify and defend City for any and all liability, settlements, loss, costs, and expenses in connection with any action, suit, or claim resulting or allegedly resulting from Agent's acts, omissions, activities or services in the course of performing this Agreement.

F. Insurance

Agent and its subcontractors shall maintain insurance acceptable to City in full force and effect throughout the term of this contract. Such insurance shall cover all risks arising directly or indirectly out of Agent's activities or work hereunder, including the operations of its subcontractors of any tier.

The policy or policies of insurance maintained by the Agent and its subcontractor shall provide at least the following limits and coverage:

Commercial General Liability Insurance

Agent shall obtain, at Agent's expense, and keep in effect during the term of this contract, Comprehensive General Liability Insurance covering Bodily Injury and Property Damage, with a minimum coverage of \$1,000,000 per occurrence and \$2,000,000 aggregate.

Professional Liability

Agent shall obtain, at Agent's expense, and keep in effect during the term of this contract, Professional Liability Insurance covering any damages caused by an

error, omission or any negligent acts, with a minimum coverage of \$1,000,000 per occurrence and \$2,000,000 aggregate.

Workers' Compensation Insurance

The Agent, its subcontractors, if any, and all employers providing work, labor or materials under this Agreement that are either subject employers under the Oregon Workers' Compensation Law and shall comply with ORS 656.017, which requires them to provide workers' compensation coverage that satisfies Oregon law for all their subject workers or employers that are exempt under ORS 656.126. Out-of-state employers must provide Oregon workers' compensation coverage for their workers who work at a single location within Oregon for more than 30 days in a calendar year. Agents who perform work without the assistance or labor of any employee need not obtain such coverage. This shall include Employer's Liability Insurance with coverage limits of not less than \$500,000 each accident.

Notice of Cancellation

There shall be no cancellation, material change, exhaustion of aggregate limits or intent not to renew insurance coverage without 30 days written notice to the City. Any failure to comply with this provision will not affect the insurance coverage provided to the City. The 30 days notice of cancellation provision shall be physically endorsed on to the policy.

Insurance Carrier Rating

An insurance company deemed acceptable by the City must underwrite coverage provided by the Agent. The City reserves the right to reject all or any insurance carrier(s) with an unacceptable financial rating.

Certificates of Insurance

As evident of the insurance coverage required by the agreement, the Agent shall furnish a Certificate of Insurance to the City. No contract shall be effective until the required certificates have been received and approved by the City. The certificate will specify and document all provisions within this agreement. A renewal certificate will be sent to the City 10 days prior to coverage expiration.

Cross-Liability Clause

A cross-liability clause or separation of insureds clause will be included in all general liability, professional liability, pollution and errors and omissions policies required by this agreement.

G. Method & Place of Submitting Notice, Bills & Payments

All notices, bills and payments shall be made in writing and may be given by personal delivery or mail. The following addresses shall be used to transmit notices, bills,

payments and other information and when so addressed, shall be deemed given upon deposit in the United States mail, postage prepaid:

CITY: City of Prineville
Attn: Mary Puddy, Team Services Director
387 NE Third St
Prineville, OR 97754
Phone: (541) 447-5627, ext 109
e-mail: mpuddy@cityofprineville.com
Fax: (541) 447-5628

AGENT: _____

Phone: _____
e-mail: _____
Fax: _____

Changes may be made in the names and addresses of the person to who notices, bills and payments are to be given through written notice.

H. Successors and Assignments

Each party binds itself, and any partner, successor, executor, administrator, or assign to this Agreement. Neither City nor Agent shall assign or transfer their interest or obligation hereunder in this Agreement without written consent of the other. Agent must seek and obtain City's written consent before subcontracting any part of the work required of Agent under this Agreement. Any assignment, transfer or subcontract attempted in violation of this Agreement shall make the Agreement void. In the event Agent assigns, transfers or subcontracts any of the work contemplated or necessitated by the terms of this Agreement to some third party, Agent will ensure that said third party is made subject to all the terms and conditions of this Agreement.

I. Professional Services

The City requires that services provided pursuant to this agreement shall be provided to the City by an Agent that does not represent clients on matters contrary to City interests. Further, Agent shall not engage services of an attorney and/or other professional who individually, or through members of his/her same firm, represents clients on matters contrary to City interests.

J. Records

Agent shall retain all books, documents, papers and records that are directly pertinent to this Agreement for at least three years after City makes final payment on this Agreement and all other pending matters are closed.

Agent shall allow City, or any of its authorized representatives, to audit, examine, copy, take excerpts from, or transcribe any books, documents, papers, or records that are subject to the foregoing retention requirement.

K. Termination for Convenience

City may terminate all or part of this Agreement at any time for its own convenience upon 30 days prior written notice to Agent. Upon termination under this paragraph, Agent shall be entitled to compensation for all services rendered prior to termination.

L. Force Majeure

Neither City nor Agent shall be held responsible for delay or default caused by fire, riot, acts of God, war or similar events or occurrences where such event or occurrence was beyond the reasonable control of City or Agent respectively. Agent will, however, make all reasonable efforts to remove or eliminate such a cause of delay or default and shall, upon cessation of the case, diligently pursue performance of its obligations under this Agreement.

M. Authorization

The persons executing this Agreement on behalf of the parties hereto represent and warrant that the parties have all legal authority and authorization necessary to enter into this Agreement, and that such persons have been duly authorized to execute this Agreement on their behalf.

AGENT

CITY OF PRINEVILLE

By: _____

By: _____

Title: _____

Title: City Manager _____

Date: _____

Date: _____

