

**REQUEST FOR PROPOSALS
COMMERCIAL PROPERTY/CASUALTY INSURANCE
BROKER OF RECORD
09/10-10**

I. GENERAL INFORMATION

1.1 **Issuing Office:** This Request for Proposals (RFP) is issued by the Town of Avon, Connecticut.

1.2 **Purpose:** The purpose of the RFP is to provide prospective firms with essential information to enable them to prepare and submit proposals regarding professional Property/Casualty Insurance Broker of Record to respond to the following areas of responsibilities: annual marketing of our insurance program; responding to the daily service needs of the Town of Avon, loss control, claims servicing and administration.

The purpose of this Request for Proposals (RFP) is to select the broker best qualified to represent the insurance interests of the Town of Avon. As this is a broker RFP, insurance/risk management consultants and carriers will not be considered.

1.3 **Proposals:** All proposals received by the Town in response to this RFP will be retained. Submissions must:

- A. Constitute a complete response to this RFP, using the Proposal Form provided in this document (see page 7).
- B. Include an original and two (2) copies. The price proposal and/or fee structure (Appendix A) **must** be submitted in a separate envelope from the base proposal.
- C. Proposal must be received by:

The Office of the Town Manager
60 West Main Street
Avon, CT 06001

no later than **12:00 Noon on Wednesday, November 18, 2009**. Envelopes must be clearly marked "Proposal Commercial Property/Casualty Insurance Broker of Record". Firms mailing proposals should allow for normal delivery time to ensure timely receipt of their proposals. **Proposals may not be submitted by e-mail.**

- D. Must be signed by an official authorized to bind the firm to its provisions.
- E. Must include a statement that the proposal remains valid for a period of at least ninety (90) days from the date of its submission.

1.4 **Rejection of Proposals:** The Town reserves the right to reject any and all proposals received as a result of this RFP.

1.5 **Communications Concerning RFP:** All questions relevant to the development of a proposal are to be directed to:

Mr. William F. Vernile
Director, Human Resources
Phone: (860) 409-4303
E-mail: wvernile@town.avon.ct.us

Any questions determined to be of interest to all prospective firms will be answered in writing and provided to all firms either by mail or by e-mail.

Except as authorized by Mr. Vernile, no vendor may contact any other employee or elected or appointed official of the Town of Avon with respect to the RFP or the submission of a bid.

1.6 **Term:** Based upon the outcome of this process, the Town of Avon will award a two year contract with the option for a two-year renewal, at the sole discretion of the Town of Avon. The ultimate successful respondent will be expected to commence services as soon as possible upon award, effective 1/7/2010. It is expected the successful broker will take over the existing policies via “broker of record” immediately after being selected by the Town of Avon.

1.7 **Additional Information:**

- A. **Revisions or addenda to the RFP:** In the event it becomes necessary to revise or supplement any part of the RFP, the revision or supplement will be provided to all prospective firms either by U.S. mail or by e-mail.
- B. **Experience:** Firms with experience in Commercial Property/Casualty Insurance brokering services for public sector organizations are encouraged to apply. Firms must demonstrate their knowledge of both Town and Board of Education organizations as well as the mandates and laws that affect such organizations in the State of Connecticut.

- C. **Incurring Costs:** The Town will not be liable for any costs incurred by a firm in the preparation or submission of a proposal.
- D. **Civil Rights Compliance:** Where applicable, firms must comply with the Civil Rights Act of 1964, the Equal Employment Act, and the Connecticut Fair Employment Practices Act.
- E. **News Releases:** News releases pertaining to this RFP or the services, study or project to which it relates will not be made without prior approval, and then only in coordination with the Town.
- F. **Acceptance of Proposal Content:** The contents of the successful proposal may, at the Town's option, become part of the contract entered into by the successful firm and the Town.

1.8 **Current Insurance Program:** The Town of Avon and the Board of Education currently purchase the following policies as part of its Property/Casualty Insurance program:

CIRMA LAP
 CIRMAWC
 Travelers Crime
 Hartford Group Travel Accident (Avon Board of Education teachers)
 VFIS Package (Avon Volunteer Fire Department, Inc.)
 VFIS Umbrella (Avon Volunteer Fire Department, Inc.)
 VFIS Accident/Sickness (Avon Volunteer Fire Department, Inc.)
 Various bonds (as needed)

II. CONTENT OF PROPOSALS

2.1 **Scope of Services**

The Town of Avon is engaged in a process to select an appropriate and qualified expert professional Property/Casualty Insurance Broker of Record (hereafter known as Broker) to respond to the following areas of responsibilities: annual marketing of our insurance program; responding to the daily service needs of the Town of Avon, loss control, claims servicing and administration.

Proposals should address each of the following services, with the cost of the services submitted in a separate envelope. In this way the Town can evaluate each proposal as to whether or not it best meets the Town's interests and needs:

- A. Solicit proposals from qualified insurance carriers on an annual or as needed basis who are experienced and familiar with writing Connecticut municipalities.
- B. Agent of Record shall develop bid specifications to be submitted to the municipal marketplace for which proposals are sought.
- C. Proposals submitted by insurance carriers shall be evaluated by the Agent relative to compliance with insurance specifications, cost and ability of each carrier to perform as required including relative solvency.
- D. The Agent shall provide a detailed report of solicited policy renewal options available to the Town of Avon.
- E. Examine and approve issued policies and bonds for conformance with the Town of Avon's specifications and the carrier's proposal.
- F. Provide an annual stewardship report, including insurance schedule, policy summaries, review of past year's activities and outlook for coming year's market conditions.
- G. Assist the Town of Avon in determining funding mechanisms for new or newly discovered exposures.
- H. Assist the Town of Avon in drafting insurance specifications for contracts and agreements as requested.
- I. Provide assistance in tandem with the Town of Avon's legal counsel.
- J. Provide insurance certificates, as needed, to others pertaining to the Town of Avon's coverage.
- K. Advise the Town of Avon on new developments in the field of insurance and/or bonding.
- L. Be available for consultation on any matter within the scope of services and shall also be available to meet on a monthly basis to discuss pending and new issues.

2.2 Other Requirements

Responding firms must be capable of performing Broker of Record duties in full compliance with all federal and state statutes and regulations. Responding firms will provide the following information:

- A. Name of firm and parent company, if any. Include number of employees of firm, servicing office(s), and their respective addresses.

- B.** Number of Connecticut public entity clients and their total annual property/casualty premium.
- C.** Indicate principal public entity markets utilized and premium volume written with them.
- D.** Describe the insurance marketing expertise of the servicing office with regard to Connecticut towns and school districts and a sample marketing plan.
- E.** Number of full-time claims personnel employed by the servicing office who will be directly involved with the Town of Avon, and their credentials.
- F.** Describe your claim tracking and claim review process.
- G.** Responding firms shall provide a list of all personnel who would be involved with this account including: Name, Job Title, Responsibilities, Type of Work performed, municipal experience and credentials.
- H.** Describe the willingness of the account team to attend town meetings, which members are available to attend, and examples of the types of meetings they have previously attended and the value they provided.
- I.** Detailed description of any special, in-house, services or systems available to the Town of Avon.
- J.** Describe your firm's performance monitoring and measurement of insurance carriers, negotiation of policy provision interpretations and possible intervention in claims processing.
- K.** Describe your involvement with municipal associations in Connecticut.
- L.** Describe issues faced by Connecticut towns relative to property/casualty insurance.
- M.** Name, address and telephone numbers of persons to receive notifications and reply to Town of Avon inquiries.
- N.** The information provided in these specifications shall NOT be used for the purpose of submitting applications or reserving insurance markets. Failure to comply will result in the disqualification of the Broker.

- O. The Broker shall maintain in good standing all the necessary licenses and certifications as required by Connecticut General Statutes and regulations for insurance agents and/or brokers, including as Licensed Insurance Consultant to operate on a fee basis, and shall provide copies of the same to the Town of Avon.
- P. Proposed fee (see Appendix A).

III. SELECTION PROCESS

3.1 Review Process: All proposals will be reviewed by a committee comprised of the Town's Director of Human Resources, Board of Education Director of Finance, and Assistant Town Manager.

The Town reserves the right to waive non-material deficiencies in any proposal.

Proposals will be evaluated based on what is deemed to be in the best interests of the Town, including such factors as the bidder's experience and expertise in providing Insurance Advisory and Brokerage services for municipalities, clarity and creativity of the proposal, recommendations of entities for which the bidder has previously provided services, the persons to be assigned to the project by the bidder, and total cost. Cost will not be the sole factor in evaluating bids.

A short list of finalists will be developed and firms may be interviewed by the Selection Committee after the proposals are received. Specific information required for the interviews will be provided to finalists at the time of notification.

If interviews are held, they will be 30-45 minutes long. Initial presentations will be limited to 15 minutes. The final 15-30 minutes will be reserved for questions from the Selection Committee and subsequent discussion. The key person to be assigned to this project must be present at this interview.

The Selection Committee expects to recommend a firm to the Avon Town Council for approval by January, 2010.

The Town expects to complete its review of all proposals and select the tentative bidder within two weeks after the receipt of proposals. If necessary, the Town may extend that review period.

Selection as the preferred proposal does not provide any contract rights to that firm. Any such rights shall accrue only if and when the Town and the firm execute a binding contract. The Town reserves the right to negotiate with the successful firm in any manner necessary to best serve the interests of the Town. If the Town fails to reach an agreement with the successful bidder, the Town may commence negotiations with an alternative bidder or reject all bids and reinstitute the RFP process.

[Form of Cover Page of Proposal]

TOWN OF AVON
PROPOSAL FOR COMMERCIAL PROPERTY/CASUALTY INSURANCE
BROKER OF RECORD

The undersigned has read, understands, and agrees to comply with the requirements contained in the Request for Proposals for Commercial Property/Casualty Insurance Broker of Record. The undersigned submits this proposal in good faith and without collusion with any other person, individual or firm.

The proposal consists of this cover page and the following attachments:

Name and Address of Firm:

Name, Title and Contact Information (phone, fax, email) of Authorized Representative:

Signature of Authorized Representative:

(Attach additional sheets as necessary)

APPENDIX A
FEE PROPOSAL

Amount of Fee Proposed:

Year One: _____

Year Two: _____

Year Three (Option): _____

Year Four (Option): _____

APPENDIX B

Based upon the outcome of this process, the final chosen Broker shall procure and maintain insurance against claims for injuries or losses to persons or property that are alleged to have arisen in connection with activities of the contractor and any agents, representatives, subcontractors or employees. Insurance companies must be licensed by the State of Connecticut or otherwise acceptable to the Town of Avon. The cost of such insurance, including required endorsements or amendments, shall be the sole responsibility of the contractor. Full disclosure of any non-standard exclusion is required for all required coverage's.

The Contractor must provide a current Certificate of Insurance to the Assistant Town Manager with the following requirements:

- a. Commercial General Liability coverage naming the Town of Avon as additional insured, written on a "per occurrence" basis of \$1,000,000 with an aggregate limit of \$2,000,000.
- b. Automobile Liability coverage, including coverage for owned, hired or borrowed autos with a combined single limit of \$1,000,000 covering bodily injury and property damage.
- c. Workers' Compensation Coverage (per Connecticut Law) and Employer's Liability Coverage: coverage A at statutory limits and coverage B at limits of 100,000 / 500,000 / 100,000.
- d. Professional errors and omissions coverage for \$5,000,000 per incident and with an aggregate limit of \$5,000,000.

It is further agreed that the Broker shall provide the Town of Avon with a sixty (60) day notice of cancellation, in advance of the retroactive date, and/or non-renewal.