



CITY OF RIVER FALLS, WI

Don Richards, Mayor

REQUEST FOR PROPOSAL

AGENT OF RECORD

RFP # 01162012

January 16, 2012

City of River Falls
Agent of Record RFP
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Section 1 – Invitation

CITY OF RIVER FALLS REQUEST FOR PROPOSALS (RFP) INSURANCE AGENT OF RECORD

Proposals Due by 5:00 p.m., Thursday, February 16, 2012

The City of River Falls is currently requesting proposals for an Insurance Agent of Record for Property and Casualty Insurance.

The City desires to enter into a professional services agreement with a qualified agent or firm that demonstrates both competency and experience in providing Property and Casualty Insurance Consulting Services, and said agent must be fully licensed to practice in the state of Wisconsin. The contract term is for approximately three (3) years, and the City reserves the right to offer an additional two (2) year renewal option.

The scope of work for the requested services includes, but is not limited to:

1. Market all coverages as requested by the City
2. Analyze coverage and recommend coverages or changes to coverages as considered advantageous to the City on an annual basis
3. Advise the City on insurance trends, insurance market conditions
4. Attend events concerning the City's insurance matters, including City Council meetings and other meetings deemed appropriate by the City

The Request for Proposal application can be downloaded from the City of River Falls website: www.rfcity.org. It is important for those who download the supporting documents check the website for addenda, clarifications, and other significant notifications.

Written proposals will be accepted until 5:00 p.m. on February 16, 2012 at City Hall, 222 Lewis Street, River Falls, WI 54022. Responses must address all of the items listed in this request for proposal and submitted in a sealed envelope marked "Agent of Record Proposal" and submitted to:

Lu Ann Hecht
Office of the City Clerk
City of River Falls
222 Lewis Street
River Falls, WI 54022

Please include the one (1) original and four (4) copies. Questions or request for clarification may be directed to Julie Bergstrom, Assistant City Administrator/Director of Finance, at (715) 426-3416 or email address at jbergstrom@rfcity.org

Section 2 – Introduction and General Information

A. Government Background

The City of River Falls is a full service community providing a high level of services to its residents. Services include: Police, Fire, Ambulance, City Administration, Public Works, Utilities, Parks and Recreation, and Library. The City of River Falls is split into two counties, St. Croix and Pierce, and is home to approximately 15,000 residents of which 6,400 are college students. Around half of River Falls' residents commute to the St. Paul-Minneapolis region to work, as the City is located 25-30 miles east of the Twin Cities. The City of River Falls is also home to the University of Wisconsin River Falls (UWRF); an NCAA Division III institution that has been a staple for the River Falls community since 1874.

The City of River Falls is a Municipal Corporation with authority vested in the City Council and the Mayor, who is the Chief Executive Officer (CEO) of the City. River Falls, like many other Wisconsin cities under the Home-Rule Charter of Wisconsin, has the power to govern itself regarding local matters except where the State has specifically prohibited that power. The City is managed under the Council/City Administrator form of government.

Each and every year, the City strives to meet the highest standards of fiscal performance, accountability and stewardship. The City maintains an Aa2 rating by Moody's Investor's Services. The annual budget serves as the foundation for the City's financial planning and control. The City of River Falls fiscal year begins January 1st and ends December 31st.

The contract term of the Insurance Agent of Record for Property and Casualty Consulting Services will be for three (3) years, beginning April, 2012, with the option to extend the contract for an additional, two (2) year period.

The purpose of requesting proposals is for the City to determine which independent agent or firm can offer the highest quality of service at the most beneficial cost to the City. In addition, the selected firm should be available to work with the City of River Falls on closely related issues.

The contract shall provide that the City reserves the right to terminate the contract at any time upon 90 days prior written notice.

B. Timeline for Procurement Process

The City has made every effort to include enough information in this RFP for a proposer to develop a responsive proposal. The City encourages proposers to submit the most comprehensive and competitive proposal available. The City reserves the right to retain all proposals submitted and to use any ideas in a proposal, unless protected by copyright, regardless of whether that proposal is selected. Submission of a proposal indicates acceptance, by the independent agent or firm, of the conditions contained in the RFP, unless clearly and specifically noted in the proposal submitted, and confirmed in the contract between the City of River Falls and the agent of record selected.

The City reserves the right to reject any and all proposals, cancel all or part of this RFP, waive any minor irregularities, and request additional information from proposers. The City will not reimburse proposers of this RFP for any expenses incurred in preparing proposals, or for the attendance at interviews. This RFP does not obligate the City to accept or contract for any services.

The timing of the proposal is as follows:

TIMELINE	
Distribution of RFP	January 16, 2012
Submit names of representatives and questions	January 30, 2012
City's deadline to respond to questions	February 6, 2012
Proposal submission	February 16, 2012
Proposal review	February 22, 2012
First notification	February 27, 2012
Interviews with finalists	March 5-7, 2012
Final selection	March 13, 2012
Notification to proposers	March 20, 2012
Implementation of contract	April 13, 2012

Distribution of RFP

The RFP will be mailed and/or available on the City's website www.rfcity.org on January 16, 2012.

City's Deadline to Respond to Questions

City staff will schedule time to speak with representatives seeking additional information about the proposal process and the RFP. The City requests that any insurance firms provide names of the representatives and all questions about the proposal process and the RFP by January 30, 2012. This information must be received by 5:00 p.m. via fax, FedEx, or email to Lhecht@rfcity.org.

Proposal Submission

Proposals must be delivered to the City Clerk's Office no later than 5:00 p.m., February 16, 2012.

Proposal Review

City staff will evaluate all proposals and summarize the findings. It is anticipated that the review process will be completed by February 22, 2012.

Interview with the Finalists

The finalists will be asked to schedule a meeting with City staff March 5-7. The meeting should include representatives who will work directly with City staff, their supervisor, if applicable, and the account representative.

Proposals Accepted

The City Council will make the final selection March 13, 2012, based on the recommendation of City Staff. After the selection is made, the agent of record will have thirty (30) days to complete negotiations. If negotiations do not result in the execution of a contract in the allotted time, the City will give notice to the agent of record that the City will contact the next most qualified proposer or call for new proposals.

Notification

We anticipate sending written notification to all proposers regarding the outcome of the review and contract award process by March 20, 2012.

Implementation

The agent of record to which the contract is awarded will be required to coordinate with City staff all the activities necessary to ensure a smooth transition. Conversion activities will begin upon notification and projected completion date is April 13, 2012.

City staff will make every effort to administer the proposal process in accordance with the terms and dates discussed in this RFP. However, the City reserves the right to modify the proposal process and dates as deemed necessary.

C. Minimum Qualifications

The City current contracts for the following coverages:

Commercial General Liability	General aggregate limit (other than products-completed)	\$3,000,000
	Products-completed operations aggregate limit	\$3,000,000
	Personal & advertising injury limit	\$3,000,000
	Each occurrence limit	\$3,000,000
	Damage to premises rented to you limit (any one person)	\$300,000
	Medical expense limit (any one person)	\$10,000
	Automobile	Liability \$3,000,000, Auto medical payments \$10,000, Uninsured motorists \$1,000,000 each accident, Underinsured motorists \$1,000,000 each accident. Includes owned, hired and non-owned.
Public Officials Professional Liability Insurance	Public officials liability	\$2,000,000
	Employment practices liability	\$2,000,000
	Policy aggregate	\$2,000,000
Police Professional Liability	Law enforcement liability aggregate limit	\$3,000,000
	Each wrongful act limit	\$3,000,000
	Medical expense limit (any one person)	\$ 5,000
Equipment	Property damage	\$50,000,000

Breakdown	Data or media	\$2,500,000
	Utility interruptions	\$25,000,000
	Ordinance or law coverage	\$2,500,000
	Fungus, wet rot and dry rot	\$100,000
	Hazardous substances	\$2,500,000
Crime	City Hall	\$10,000
	Police department	\$1,000
	Pool	\$500
	Court	\$500
	Library	\$500
Umbrella	Each occurrence limit (liability coverage)	\$3,000,000
	Aggregate limit (liability coverage)	\$3,000,000
Workers' Compensation	Coverage as required under the workers compensation law of the State of Wisconsin. Bodily injury by accident \$500,000 each accident	
	Bodily injury by disease	\$500,000 policy limit
	Bodily injury by disease	\$500,000 each employee
	City's current experience mod rating	.84
Property Insurance	Currently with State of Wisconsin Property Fund. Total property value coverage of \$92,000,000, and contractors equipment of \$1,300,000.	

The City of River Falls requires coverages by companies rated by A.M. Best at A or higher. The successful agent of record must be able to provide the coverages listed above from similarly rated companies.

D. Conditions of Submittal

By the act of submitting a response to this Request for Proposals, the proposer certifies that:

- a. The Proposer and each person signing on behalf of any Proposer certifies, and in the case of a sole proprietorship, partnership or corporation, each party thereto certifies as to its own organization, under penalty of perjury, that to the best of their knowledge no elected official, city employee, officer or person accountable to the City of River Falls has a direct financial interest in the Proposal.
- b. The Proposer has read all parts of the Request for Proposal, including all requirements, terms and conditions, and, if its Proposal is accepted, the Proposer shall accept the contract documents in their entirety.

- c. The Proposer, if an individual, is the only one interested in this Proposal; and that no person, firm, or corporation, other than that named, has any interest in the Proposal, or in the proposed contract.
- d. The Proposer has quality experience providing the required services.

Section 3 – Scope of Work

A. Introduction

The City of River Falls invites insurance agents and brokers licensed to do business in the State of Wisconsin, to submit proposals to provide insurance services for the following areas of coverage:

- Commercial General Liability
- Police Professional Liability
- Umbrella
- Employment Practices Liability
- Cyber Liability
- Boiler and Machinery
- Business Automobile – Property and Liability
- Commercial Property
- Electronic Data Processing
- Commercial Crime
- Workers' Compensation
- Law Enforcement Liability
- Other Lines of Coverage as determined necessary

B. Responsibilities

The City of River Falls is requesting proposals from qualified persons/companies to serve as the Agent/Broker of Record. Responsibilities of the agent/broker shall include but not be limited to the following all or any of which the selected agent/broker may be asked to perform.

1. Market all coverages as requested by the City.
2. Attend events concerning the City's insurance matters, including City Council meetings and other meetings deemed appropriate by the City.
3. Provide a full range of services, including but not limited to risk exposures, risk identification, written analysis, insurance placement, written recommendations, alternative service delivery mechanisms or others as requested by the City or deemed necessary by the agent/broker.
4. Design insurance policy form to meet the specific needs of the City.
5. Review each insurance policy, binder, certificate or other insuring document to ensure working is complete and correct.

6. Agent/broker shall be available to the City for consultation on a daily basis in performing obligations under this Agreement.
7. Advise the City on insurance trends, insurance market conditions, large industry losses, financial stability of any insurance companies writing policies for the City, or any other items having the potential to materially impact any insurance coverages carried by or claims processing services provided to the City.
8. Act as a resource to advise the City in the areas of workers' compensation, EEO laws and other areas where expertise and guidance may be requested.
9. Provide early warning of pending rate, coverage or renewal challenges including significant changes in the financial status of major insurers, reinsurers or third party administrators.
10. Assist the City in designing, implementing and administering safety programs for both City employees and facilities.
11. Assist the City in developing a long-range risk management plan to satisfy budgetary concerns while providing adequate coverages in the most efficient and cost effective manner.
12. On an annual basis, the proposer will provide a report detailing the value-added recommendations made to the customer, or the estimated financial savings to the customer, by following the proposer's recommendation.

Section 4 – Proposal and Proposer Requirements

A. Submission Process

All sealed proposals from interested agents/brokers must be received on or before 5:00 p.m. on February 16, 2012, and addressed to:

Lu Ann Hecht
Office of the City Clerk
City of River Falls
222 Lewis Street
River Falls, WI 54022

Proposals will be time-stamped upon receipt and held in a secure place until the established due date. Proposals will not be opened publicly or disclosed to unauthorized persons, but will be opened in the presence of two or more City officials. Proposals submitted by facsimile or via email will not be considered. Submittal of a Proposal in response to this RFP constitutes an offer by the proposer.

B. Proposal Submittal Format

For proposals to be considered, one (1) original marked “Original” and four (4) copies of the proposal must be received by the City of River Falls. The following outline represents the desired proposal submittal format:

1. Title Page - The first page shall be the title page. The proposer should identify the RFP subject, the name of the firm, local and corporate address, telephone number, name and title of contact person, and date of submission.
2. Introduction - Immediately following the title page shall begin the following sections:
 - a) Table of Contents – Provide clear identification of the material by section and by page number.
 - b) Letter of Transmittal – (limited to one page) - Should be brief and introductory in nature.
 - c) Mandatory Proposer Requirements – Provide in the order delineated below. List any exceptions taken to these requirements.
 - i. **List local office location** – It is expected that the proposer will have an office in the Western Wisconsin or Minneapolis/St. Paul area. If not, the proposer should describe how they will provide the necessary services to the City from other locations.

- ii. **State Insurance License** - The proposer must provide a copy of their State of Wisconsin Insurance License. The proposer and all staff assigned to the City's account shall possess and keep in force all licenses and permits required to perform the services of this Agreement.
- iii. **Local Government Experience** - The proposer must have acted as a full-service agent/broker for a Wisconsin or Minnesota local government for at least two (2) consecutive years within the past five (5) years.
- iv. **Provider Eligibility** - The proposer must be willing and able to directly place business with all of the City's existing providers. This is not to mean the City intends to maintain its current carriers but would if necessary and/or considered advantageous to the City.
- v. **Proposer Schedule of Fees** – Please fully complete a copy of the “Proposer Schedule of Fees” and include in the proposal packet (Appendix A).
- vi. **Proposer Warranty** – Execute and include a copy of the Proposer's Warranty (Appendix B).
- vii. **Agency Profile** – Please fully complete a copy of the “Agency Profile” and include in the proposal packet (Appendix C).

C. Minimum Proposal Content and Evaluation Criteria

All proposals submitted for evaluation must include the following minimum information. Provide in the order listed below. Please detail any exceptions taken to these requirements:

1. **Firm Qualifications** (max 20%)– Each proposer must complete a copy of the “Agency Profile” and include it within their proposal packet. Please refer to Appendix C for a copy of the Agency Profile.
2. **Understanding of Scope of Work** – (max 15%) Provide a written statement (limited to two pages) demonstrating the proposer's understanding, responsiveness and approach to the agent/broker services and duties requested in Section III (B).
3. **Staff Qualifications** – (max 10%) refer to Appendix C, Agency Profile.
4. **References** – (max 5%) refer to Appendix C, Agency Profile.

5. **Proposed Cost** – (max 50%) Complete and include the fee for each of the services proposed in Appendix A – Schedule of Fees as well as any additional costs related to implementation of any proposed service delivery alternatives.

Proposals will be evaluated by City staff based on the criteria set forth below. City staff will make a recommendation to River Falls City Council. All proposals submitted will be the primary document upon which each proposal will be evaluated. All proposals will first be screened to determine minimum institution qualifications as outlined in this RFP.

The City reserves the right to reject any and all proposals, to waive any information or irregularities in any proposal, and to use any idea in a proposal regardless of whether that proposal is selected.

Section 5 – Other Attachments

APPENDIX A – SCHEDULE OF FEES

INSURANCE AGENT/BROKER SERVICES RFP #01162012

The City of River Falls is requesting the Agent/Broker compensation be on a flat fee basis. The structure of the fee and payment of the fee will be part of the proposal. All insurance policies will be placed net of the commission or fees payable to the Agent/Broker. The fee stated below is all inclusive for performance of the services specified, including labor, materials, transportation, etc. No other charges shall be allowed.

All Inclusive Fee:

FY 2012 \$ _____

FY 2013 \$ _____

FY 2014 \$ _____

Authorized Signature	Address
Printed Name & Title	City, State, Zip
Company	Telephone Number
Date	Fax Number
Email Address	

APPENDIX B – PROPOSER’S WARRANTY

**INSURANCE AGENT/BROKER SERVICES
RFP #01162012**

TO: CITY OF RIVER FALLS, WISCONSIN

PROPOSAL OF: _____

an individual; a partnership; a corporation (please mark the appropriate box) organized under the laws of the State of _____.

The undersigned, having carefully read and considered the Request for Proposal to provide Insurance Agent/Brokerage Services for the City of River Falls, Wisconsin, does hereby offer to perform such services on behalf of the City, in the manner described and subject to the terms and conditions set forth in the attached proposal.

OFFEROR _____
Company Name

BY _____
Signature of Authorized Representative

BY _____
Please print name

PRINCIPAL OFFICE ADDRESS:

Street Address	
City	
State	
Zip Code	
Telephone	
Facsimile	
Email Address	

APPENDIX C – AGENCY PROFILE

AGENCY PROFILE

AS OF _____
Date

1. Name of Authorized Agent _____

Insurance Agency Name _____

Agency Physical Address _____

Agency Mailing Address _____

Business Phone: _____ Fax: _____

2. For agencies, how many years has your agency been in business? For agents, how many years have you been a licensed agent? (Please choose one category and check the appropriate response)

Agency Data		Agent's Data	
	< 5 years		< 5 years
	5 – 14 years		5 – 14 years
	> 15 years		> 15 years

3. How many public entities (municipal governments, schools, Universities, Technical Colleges) does your agency currently work with? (Please choose one category and check the appropriate response)

Agency Data		Agent's Data	
	0 to 9		0 to 9
	10 to 49		10 to 49
	50+		50+

4. How many years of experience does your agency, or you as an Agent, currently have insuring public entities?

Agency Data		Agent's Data	
<input type="checkbox"/>	< 5 years	<input type="checkbox"/>	< 5 years
<input type="checkbox"/>	5 – 14 years	<input type="checkbox"/>	5 – 14 years
<input type="checkbox"/>	> 15 years	<input type="checkbox"/>	> 15 years

5. How many agency personnel do you have at the branch that will handle our account?

- 1 to 4
- 5 to 10
- 11 to 20
- More than 20

6. Please list the personnel who will handle our account and indicate if they are licensed agents in the State of Wisconsin (If you feel personnel resumes of these individuals are pertinent, please attach them to this form)

7. Please list two references of public entities that have similar exposures to the City of River Falls:

Name _____

Mailing Address _____

Contact Information _____

Name _____

Mailing Address _____

Contact Information _____

8. What is the approximate annualized premium volume that your agency handles?

- \$1,000,000
- \$1,000,001 to \$5,000,000
- \$5,000,001 to \$10,000,000
- \$10,000,001 to \$20,000,000
- More than \$20,000,000

9. How many agents licensed in the State of Wisconsin, are currently employed by your agency?

- One
- 2 to 5
- 6 to 10
- 11 to 20
- More than 20

10. Do you represent any carriers with an A.M. Best rating of less than A? If so, please explain.

11. Please indicate what lines of insurance your agency is licensed to write in the State of Wisconsin.

- Property and Casualty Insurance
- Health Insurance
- Life Insurance

12. Do you currently carry professional liability (errors and omissions) insurance?

- Yes
- No

Please indicate the insurance company name and the amount of insurance currently carried for professional liability:

13. How often would your account manager contact our office to review our insurance needs and update our office?

14. What marketing plan would you use to assure us competitive premium quotes?

17. Describe the method you would use to select the insurance company to best fit our needs:

18. Describe how your agency would assist us with handling claims.

19. Describe the loss prevention services available from your agency:

20. What assistance will your agency provide in developing detailed and summary claims data?

21. Please describe your internal evaluation criteria. How do you determine whether you have provided value-added recommendations to the customer?

22. Who do you see as the important insurance competitors in property and casualty coverage for public entities?

23. What events do you see on the horizon that would be of a concern to the City?

24. What does your agency do to stay current with the ever changing City environment?

25. Describe the process you would employ to evaluate and keep abreast of The City of River Falls's loss exposures.

26. Please provide a sample of a proposed service agreement (included in your submission packet with the specific title of, "SAMPLE: PROPOSED SERVICE AGREEMENT")

27. Describe your organization's in-house capabilities (if no in-house capabilities, please provide the means in which these will be provided) to provide insurance and risk management services.

28. What additional special services does your office offer that would be of value to us?