

City of Erie

Pennsylvania

Request for Proposal

Insurance Broker

#6503 – 2020

August 2020

Proposal from:

PROCEDURAL INQUIRIES

Andria Cilladi
Purchasing Manager
City of Erie
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Erie, PA 16501
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TECHNICAL INQUIRIES

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City of Erie
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Joseph V. Schember, Mayor

Introduction

The City of Erie is issuing this Request for Proposals (RFP) to help facilitate its selection of an insurance broker that it believes can best fulfill its needs related to: (1) Serving as the Broker of Record to handle the placement of the City of Erie's Property and Liability insurance for the January 1, 2021 renewal. (2) Serving as the Broker of Record to handle the future placement of the above referenced policies, until such time that the Broker of Record relationship is terminated. (3) Serving as an active partner of the City's overall risk management needs. The broker appointed will have full responsibility of implementing, servicing and marketing. This is a Request for Broker of Record only – No direct contact with markets is authorized or warranted on behalf of the City of Erie to complete this RFP.

A complete description of the required scope of services for each task is included in this Request for Proposal ("RFP") and on the City of Erie website, www.erie.pa.us under the Finance department tab. Send complete packages to:

City of Erie
Finance Office
626 State Street – Room 309
Erie, PA 16501

Please submit two (2) hard copies and one (1) PDF copy to acilladi@erie.pa.us by the date requested. This e-mail can also be used for any inquiries or questions relating to the RFP. Any late bids will not be accepted.

During the evaluation process, the City of Erie reserves the right to request additional information or clarifications from proposers, or to allow corrections of errors or omissions. Firms may be requested to make oral presentations as part of the final evaluation process.

The City of Erie reserves the right to cancel this RFP, or to reject any and all proposals, or any portion of any proposal, received in response to this RFP, upon its determination that such cancellation or rejection serves the best interests of the System. There is no expressed or implied obligation for the City of Erie to reimburse firms for any expenses incurred in preparing proposals in response to this request.

Responses must be submitted by September 18, 2020.

Minimum Requirements

The City of Erie has established certain minimum requirements for responders, in order to ensure that responses are submitted by brokers that meet threshold standards, including the following:

- The responder must principally work with commercial and/or institutional clients.
- The responder must have experience placing insurance for, and servicing municipal clients.
- The responder must carry Professional Errors and Omissions Insurance with minimum limits of \$5 million per occurrence/aggregate (attach a Certificate of Liability Insurance evidencing said coverage).
- The responder cannot accept contingent compensation, from an insurer or any other party for the placement of the City's insurance.

Company Overview

Provide an overview of your company, including an organizational chart. Specifically describe:

- An overview of the firm and its qualifications.
- The staffing and resources of your local office.
- Your Company's experience serving municipal clients.
- The primary service team that would work with and service The City of Erie.
- Provide a brief history, corporate service philosophy, and approach to client services.
- Describe how you would differentiate your services from those offered by other firms.

Scope of Services

Describe the general services and approach that your company would provide the City of Erie with a cost effective / risk management program in the following areas:

- Help marketing The City of Erie to insurance markets.
- Help prepare applications and insurance policy specifications for review and approval by the City, at the time of policy renewals. The approved applications and specifications will be submitted to underwriters.
- Assist with the evaluation of insurance market quotes and premium audits.
- Submit an insurance proposal to the City within thirty (30) business days prior to expiration of a policy in place.
- Placement of insurance coverage.
- Provide an insurance coverage summary, which includes but is not limited to effective dates, policy limits, insuring agreements, exclusions, annual premium and exposure basis, on an annual basis.
- Assistance with the handling of claims and loss run/claims analysis.

- Issuance and management of certificates, as needed.
- Contract review of in place policies.
- Provide ongoing support of The City of Erie’s risk management needs.
- Provide ongoing educational/training support.
- Describe how your organization would get to know The City of Erie.
- Quarterly meetings to discuss program. Loss runs and benchmarks are required to be used as comparisons.

Additional Information

1. References - For each client, specify the type work performed by your firm, the size of the client and the period of time retained as a client. For each reference, list the name, title, address, phone number and email address of a contact person.
 - a. Municipal – If possible, list three municipal property and casualty insurance clients for whom your agency is providing (or has provided) “services” similar to those requested in this RFP.
 - b. Carriers – List the carriers your firm currently uses for property and casualty insurance and the percentage of your business placed with each company.
2. Has your firm ever been involved in a lawsuit involving any area covered by this RFP? If yes, provide details including dates and outcomes.
3. During the past five (5) years has your firm, related entities, principals or officers ever been a party in any material civil or criminal litigation whether directly related to this RFP or not? If so, provide details including dates and outcomes.
4. State if you currently provide any services, directly or indirectly, to The City of Erie. If your firm currently provides services, provide a full description of services provided.
5. Please outline the commission and/or fee structure you would propose to service the City of Erie’s insurance program based on the current program in place.
6. Please list any, loss control needs as suggested, and the proposed fee structure.

Additional Scope of Services

In the near future, the City may entertain the idea of going self-insured for all lines of insurance. Please reference any clients you service who are self-insured. A detailed analysis may be requested of you to assist the City in making this determination.

General Provisions and Contract Requirements

The following information should help to clarify any questions regarding the general project requirements:

A. EQUAL EMPLOYMENT OPPORTUNITY / MBE & WBE

In connection with this project, the Consultant shall not discriminate against any employee or applicant for employment because of race, religion, color, sex or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other compensation, and selection for training, including apprenticeship.

It is the policy of the City to promote the opportunity for full participation by minority and women's business enterprises (MBE/WBE) in all programs.

B. ELIGIBLE CONSULTANT

The Consultant certifies that it has not been suspended nor debarred from bidding on projects by any jurisdiction. The Consultant certifies that it is not in any conflict due to interests with the City of Erie.

C. PROHIBITED INTERESTS

No member, officer, or employee of the City of Erie or other public body in the locality shall have any interest, direct or indirect, in this contract or proceeds thereof either during his tenure or for one year thereafter.

D. NON-COLLUSION

The Consultant guarantees that the proposal submitted is not a product of collusion with any other Company and no effort has been made to fix the proposal price of any Company or to fix any overhead, profit or cost element of any proposal price.

E. COVENANT AGAINST GRATUITIES

If awarded the Contract, the Consultant shall warrant that he or she has not offered or given gratuities (in the form of entertainment, gifts, or otherwise) to any official or employee of the City of Erie with a view toward securing favorable treatment in awarding, amending or evaluating performance of the Contract. The consultant guarantees that there has been no contact with the City of Erie Officials, regarding any information contained in the City's plan, which may be considered proprietary to the current Broker or any interested party. The Consultant shall warrant that, if awarded the contract referenced to this RFP, he or she will not do business with any City of Erie Official and/or employees, outside the scope of this proposed engagement.

F. PROPOSAL ACCEPTANCE

Each proposal shall be submitted with the understanding that written acceptance by the City of Erie of the offer to furnish the services described therein, shall constitute a Contract between the Consultant and the City of Erie. The Contract shall bind the Consultant to furnish and deliver the proposed services, at his proposal prices, and in accordance with conditions of said accepted proposal and specifications. All proposals will be firm for ninety (90) days from date of Proposal submittal prior to receiving a Notice of Award from the City. The City of Erie will issue a Notice of Award and prepare the formal Contract Agreement and include the Consultant's proposal. The Contract Agreement between the City of Erie and the successful company shall be executed within ten (10) days of Notice of Award.

G. PROPOSAL OWNERSHIP

All proposals, including attachments, supplementary materials, addenda, etc. shall become the property of the City of Erie and will not be returned to the sender.

H. PROPOSAL AWARD

The City of Erie reserves the right to accept any proposal, or to reject any or all proposals, or to award the contract for the purchase of the services on such basis as the City of Erie deems to be in its best interest.

I. INDEMNIFICATION / LIABILITY

The Consultant shall indemnify, defend and hold harmless, the City of Erie and its employees from any and all claims, demands, suits, actions, costs and expenses therewith on account of the loss of life, property or injury or damage to the person, body or property of any person or persons whatsoever, which shall arise from or result directly or indirectly from the work and/or materials supplied by the Consultant to the City of Erie under this contract. This indemnification obligation is not limited by, but is in addition to the insurance obligations contained in this agreement.

1. The City of Erie shall not be liable to the Consultant for any payroll taxes, including federal, state and local taxes for its employees. The employees of the Consultant shall not be treated as an employee with respect to this contract for services performed for federal or state tax purposes. The Consultant shall be responsible for paying all taxes as mandated by law.
2. The City of Erie shall not provide nor shall the Consultant's employees participate in any employer benefit of the City of Erie, including pension, health or other fringe benefits.

The City of Erie shall not obtain worker's compensation insurance on behalf of the employees of the Consultant who provide service to the City of Erie. The Consultant

shall comply with the worker's compensation law concerning its business and its employees.

J. TERMINATION OF CONTRACT

The City of Erie, by written notice to the Consultant, may terminate the Contract if the Consultant has been found to fail to perform his services in a manner satisfactory to the City of Erie as per specifications, including delivery as specified. The date of termination shall be stated in the notice. The City of Erie shall be the sole judge of non-performance.

The City of Erie may cancel the Contract upon 30 days written notice for cause or reasons other than cause.

K. SUBCONTRACTING

It is expected that the inspectors assigned project team shall be responsible for completing all work tasks. Subcontracting must be detailed in the Consultant's original work program. Additional subcontracting shall be done only upon approval by the City of Erie in accordance with the provisions of the Contract Agreement.

L. CONTRACT PREPARATION/NOTICE TO PROCEED

1. The City of Erie shall prepare a written Agreement for execution between the Consultant and the City of Erie. The general provisions of this RFP, the company's proposal, the Scope of Services, and any additional services offered by the company shall be made a part of the Agreement.

2. The Consultant shall have authorization to proceed upon acceptance, execution and return of the Agreement and issuance of the Notice to Proceed.

M. COMPLIANCE WITH LAWS

The Consultant shall at all times observe and comply with all laws, ordinances, regulations and codes of the federal, state, city and other local government agencies, which may in any manner affect the preparation of proposals or the performance of the contract.

N. EXAMINATION BY CONSULTANT

The Consultant shall, before submitting the proposal, carefully examine the Request for Proposal and all available materials related to the program. Once the Proposal is accepted, the Company will be responsible for all errors in the proposal resulting from failure or neglect to comply with these instructions. The City of Erie will, in no case, be responsible for any change in anticipated profits resulting from that failure or neglect.

O. INTERPRETATION OF PROPOSAL/CONTRACT

1. The City of Erie will not furnish oral interpretations of the Proposal Documents. If a prospective Consultant desires an interpretation, that company should request the interpretation in writing. Any inquiry received five (5) or more days before the date fixed for opening of bids will be considered.
2. Every revision will be in the form of a written addendum to the Contract Documents and, when issued will be on file in the Purchasing Office for the City of Erie at least five (5) days before bids are opened. Although each addendum will be mailed to each person holding Contract Documents, it shall be the Consultant's responsibility to inquire if addenda have been issued. All that addenda shall become part of the Contract and attached to it and all Consultants shall be bound by such addenda.

P. IRREGULARITIES AND CHANGES

1. The City of Erie reserves the right to waive irregularities and informalities in proposals, and to interpret ambiguities, and decide inconsistencies that may appear in any proposal, when in the opinion of the City of Erie the public interest will best be served by such waiver.
2. It is the intention to award the contract or contracts to the single Consultant that best meets the requirements of the City of Erie. The City of Erie reserves the right to reject all proposals or to accept any proposal or part of it that in its judgment will be in the best interest of the public.
3. Proposals that contain omissions, erasures, alterations, or additions not called for, conditional or alternate bids not called for, or which are irregular in any way, or proposals otherwise regular, may be rejected as informal or insufficient.

Q. LAWS AND REGULATIONS

The Consultant's attention is directed to the fact all applicable federal, state and municipal laws, ordinances, rules and regulations, and codes of all authorities having jurisdiction over the work in the locality of the project shall apply to the contract throughout and they are deemed to be included here as if written out in full.

R. INSURANCE REQUIREMENTS

Consultant's General Public Liability and Property Damage Insurance including vehicle coverage issued to the Consultant and protecting him from all claims for destruction of or damage to property, arising out of or in connection with any operations under the Contract Documents, whether such operations be by himself or by any sub-consultant under him, or anyone directly or indirectly employed by the Consultant or by a sub-consultant under him. Insurance shall be written with a limit of liability not less than

\$1,000,000 for all damages arising out of bodily injury, including death, at any time resulting therefrom, sustained by any one person in any one accident; and a limit of liability of not less than \$2,000,000 for any such damages sustained by two or more persons in any one accident. Insurance shall be written with a limit of liability of not less than \$1,000,000 for all property damage sustained by any one person in any one accident; and a limit of liability of not less than \$2,000,000 for any such damage sustained by two or more persons in any one accident.

S. PAYMENT TO THE CONSULTANT

The payment to the Consultant will take place at the time of the premium payment.

T. TERM

The term of this contract shall commence upon issuance of Notice to Proceed and shall end upon completion of the work.

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