



SEDGWICK COUNTY, KANSAS
DIVISION OF FINANCE

PURCHASING DEPARTMENT

525 N. Main, Suite 823 ~ Wichita, KS 67203

Phone: 316 660-7255 Fax: 316 383-7055

<http://sedgwickcounty.org/finance/purchasing.asp>

REQUEST FOR PROPOSAL

#15-0082

PROPERTY/CASUALTY INSURANCE AGENT SERVICES

July 31, 2015

PURPOSE

Sedgwick County, Kansas, will be accepting proposals for Property/Causality Insurance Agent Services. It is anticipated that an official contract or purchase order will be issued after Board of County Commission approval of the recommended proposal. It should be noted, however, that the County cannot guarantee the purchase of services/products described herein.

SUBMITTALS

Carefully review this Request for Proposal. It provides specific technical information necessary to aid participating firms in formulating a thorough response. Should you elect to participate, submit one (1) complete original and one (1) electronic copy (CD or USB) of the Bid Response Form with any supplementary materials to:

ATTN: Kara Kingsley
Sedgwick County Purchasing Department
525 N. Main St., Suite 823
Wichita, KS 67203

SUBMITTALS are due NO LATER THAN 1:45 p.m., CDT, Tuesday, August 18, 2015. Responses must be sealed and marked on the lower left-hand corner with the firm name and address, bid number, and bid due date. Late or incomplete responses will not be accepted and will not receive consideration for final award.

Bid responses will be acknowledged and read into record at bid opening, which will occur at 2:00 p.m. CDT on the due date.

QUESTIONS AND CLARIFICATIONS

All requests for clarifications of the RFP process and document content should be directed to Kara Kingsley at email kara.kingsley@sedgwick.gov. Questions are due **in writing** no later than 5 p.m. on August 10, 2015. Any questions of a substantive nature will be responded to in addendum form to be sent to all vendors no later than 5 p.m. CDT on August 13, 2015.

Kara Kingsley
Purchasing Agent

RFP #15-0082

Sedgwick County... Working for you

Table of Contents

1. About this Document
2. Background
3. Scope of Services
4. Selection Criteria
5. Evaluation Criteria
6. Request for Proposal Timeline
7. Contract Period and Payment Terms
8. Proposal Conditions
9. General Contract Provisions

Appendix A
Proposal Response Form

1. About this Document

This document is a Request for Proposal. It differs from a Request for Bid or Quotation in that the County is seeking a solution, as described on the cover page and in the following background information section, not a bid or quotation meeting firm specifications for the lowest price. As such, the lowest price proposed will not guarantee an award recommendation. As defined in Charter Resolution No. 65, Competitive Sealed Proposals will be evaluated based upon criteria formulated around the most important features of the product(s) and/or service(s), of which quality, testing, references, service, availability or capability, may be overriding factors, and price may not be determinative in the issuance of a contract or award. The proposal evaluation criteria should be viewed as standards that measure how well a vendor's approach meets the desired requirements and needs of the County. Criteria that will be used and considered in evaluation for award are set forth in this document. The County will thoroughly review all proposals received. The County will also utilize its best judgment when determining whether to schedule a pre-proposal conference before proposals are accepted, or meetings with vendors after receipt of all proposals. A Purchase Order/Contract will be awarded to a qualified vendor submitting the best proposal. **Sedgwick County reserves the right to select, and subsequently recommend for award, the proposed service(s) and/or product(s) which best meets its required needs, quality levels and budget constraints.**

2. Background

Sedgwick County, Kansas has a population estimated at approximately 504,000 persons. Within its boundaries are twenty-one (21) incorporated cities, twenty-seven (27) townships, and 20 school districts. The County employs approximately 2,450 full time employees. Approximately 5% of this total number of employees works for the Fire District. The County provides a full range of services, which include the following:

A. PUBLIC SAFETY

1. Sheriff, Emergency Management, Emergency Communications,
2. Emergency Medical Service
3. Dept of Corrections – Adult & Residential Services & Juvenile Services & Detention
4. Regional Forensic Science Center
5. Fleet Management, Fire District # 1

B. PUBLIC WORKS AND TRANSPORTATION

1. Roads and Bridges, Weed Control

C. HEALTH AND WELFARE

1. Mental Health, Developmental Supports, Public Health,
2. Human Services and Aging
3. Environmental Services

D. CULTURE

1. Museum, Parks, Coliseum, Zoo

E. SUPPORT OF STATE OPERATIONS

1. District Attorney, Courts

F. GENERAL GOVERNMENT AND ADMINISTRATIVE SERVICES

The County has a Commission-Manager form of government with five (5) Commissioners, one chosen as Chairman, which comprise the governing body. The commissioners are elected for a term of four (4) years. The County Manager, County Engineer, County Appraiser, and County Counselor are appointed by and serve at the pleasure of the Board of Commissioners. The Board of Commissioners annually adopts a balanced budget and establishes the amount of tax to be levied for the support of County programs. The County Manager has the responsibility of administering these programs in accordance with policies and the annual budget adopted by the Board of Commissioners.

The County is seeking proposals from firms qualified to provide insurance marketing, consulting, and loss control and engineering services. Insurance premium quotations are not being requested at this time. The County specifically requires that **no** contact or solicitation of insurance companies be made on its behalf and that **no** insurance market reservations are made by or for any respondent with respect to any insurance or reinsurance to be provided for the County. **Failure to comply with this request will disqualify your firm from this proposal process and any subsequent contract award.**

3. Scope of Services

The successful respondent shall provide the County with the following services:

- A. Design and submit a risk financing plan to the County's Risk Manager, competitively market the County's insurance needs with various insurance companies, place appropriate insurance, and provide necessary service for the following County risk exposures:
 - 1. Boiler and Machinery
 - 2. Crime coverage and Public Employee Faithful performance bond
 - 3. Emergency Equipment and Radio and Tower Equipment
 - 4. Excess Workers Compensation
 - 5. Inland marine, which includes EDP Equipment, Mobile Construction Equipment
 - 6. Mental Health Center & Operations
 - 7. Professional liability for physicians
 - 8. Public Health Department
 - 9. Real and Personal Property

The County reserves the right to add additional exposures and/or insurance coverage (i.e., Pollution Liability, E-Business) as it is determined necessary.

A Schedule of insurance coverage currently in force is attached (Appendix A) for information purposes.

This RFP does not include services related to administration of the County's self-funded workers' compensation plan or to any County employee benefit plan.

B. Account Services

In addition to the placement of insurance or alternate risk financing mechanism, the County shall require the successful vendor to perform the following functions:

- 1. Initiate and maintain a participatory relationship with the County Risk Manager and the various insurance company underwriters and claim personnel.
- 2. Ensure that insurance coverage is placed with financially responsible insurers (rated A or better) admitted to do business in the State of Kansas, unless otherwise approved.
- 3. Prepare insurance applications, compile and format support information needed and requested by insurance company underwriters. Compile and maintain historical underwriting information. Obtain insurance market coverage options and premium quotes. Present market coverage options and premium quotes to the Risk Manager at least 30 business days before the requested coverage date. Presentations will include an outline of insurance policy (endorsement) coverage and exclusions and a summary report of all marketing activity. When authorized, bind coverage and provide the Risk Manager with hardcopy policies.
- 4. Review and assure the accuracy of each policy, binder, certificate, endorsement or other document received from insurers, and obtain revisions of such documents as needed.
- 5. Verify accuracy of all rates and premiums charged and provide written verification to the Risk Manager.

6. Promptly submit the original copy of all policies and endorsements to the County Risk Manager no later than 30 business days after the requested coverage date.
7. Continually monitor the County's operations and loss exposures and recommend any appropriate coverage enhancements or changes that will reduce costs for the County's risk and insurance program. Analyze and make recommendations on new and existing risk exposures. Analyze and make recommendations on County insurance and risk financing programs for existing exposures. Notify the Risk Manager of any local, State, or Federal legislative activity or any insurance industry activity or changes that might impact the County's operation. Provide loss run reports on an annual basis to the Risk Manager.
8. Provide or coordinate risk control services required by the various insurance companies. Assist the County in obtaining additional such services, as requested by the county, in cooperation with the county's Risk Manager and Safety Officer. These services are to include loss prevention services such as operations and premises inspections, recommendations, training and assistance in the design of specialized programs.
9. Issue, record, and track insurance certificates and endorsements as requested by the County. Insurance Certificates are to be issued only with the approval of the County Risk Management Department.
10. Assist the County in the adjustment and settlement of losses. If any alternate financing program is selected, assist the county in obtaining claim investigation and adjustment services. Protect the County's interests in claim actions involving the insurance and risk financing programs.
11. Be available to meet monthly and other times as requested, with Risk Management or other authorized County personnel.
12. On September 1st or before of each year, during the contract period, submit a written report stating:
 - a. Anticipated renewal markets, terms and conditions and other indications of market conditions, trends and anticipated changes.
 - b. Identify problem areas such as claim handling, loss control, safety hazards, etc.
 - c. Recommendations and cost implications for improved program design.
 - d. Summary of services performed and planned changes for the next contract year.
 - e. A report summarizing premiums paid and claim activity for each insurance policy. This report should contain a minimum of three years experience.

C. Remuneration For Services – The payment for services shall be on a flat-fee or fee-for-services basis. The County anticipates that the remuneration will be less than regular insurance policy commissions. The successful vendor shall obtain a letter issued directly from each insurance company (not the wholesaler) that issues a policy for the County stating the policy premium is net of commission, fees, payment, override, or expense of any kind that would otherwise accrue to the agent/broker and increase the premium paid by Sedgwick County.

4. Selection Criteria

The selection process will be based on the responses to this Request for Proposal and any interviews required to verify the ability of proposer to provide services in accord with this document. A committee will evaluate each proposer's response based on the following criteria:

- A. Demonstrate clearly and completely your organization's ability and capacity to meet all Request for Proposal requirements.
- B. Ability to meet the conditions and miscellaneous instructions as outlined herein, and the clarity, completeness and comprehensiveness of the proposal.
- C. Competence/ability to perform the specified and mandatory services as reflected by technical training and education, specialized experience in providing required services, and the qualifications and competence/experience of persons who would be assigned to perform the services as assessed by responses to this document.
- D. Providing references detailing performance of proposed services that will verify service levels and capability of the respondent to provide a thorough solution.
- E. Meeting or exceeding all provider qualification requirements and/or specifications as outlined herein.
- F. Proposing the product and services described herein with the most advantageous and prudent methodology to the

County.

G. Proposing services with the most advantageous overall cost to the County.

Those submitting a proposal do so entirely at their expense. There is no expressed or implied obligation by Sedgwick County to reimburse any individual or firm for any cost incurred in preparing or submitting proposals, providing additional information when requested by Sedgwick County or for participating in any selection interviews.

No negotiations, decisions, or actions will be initiated by any firm as a result of any verbal discussion with any County employee during the request for proposal process. Sedgwick County reserves the right to select the service(s) and/or provider(s), and subsequently recommend for award, the proposed services that best meets required needs, quality levels, and budget constraints.

5. Evaluation Criteria

This section lists the criteria to be considered in evaluating the ability of insurance agents or insurance brokers interested in providing the services specified. Specific responses to each must be provided. It is expected that the successful insurance agent or insurance broker will exceed these qualifications.

Firms shall:

- A. Be licensed in Kansas to sell property and casualty insurance. Provide copies of all applicable certifications or licenses.
- B. Have the ability to cooperate with and be in good standing with the Kansas Insurance Department.
- C. Have been the agent of record for a large, urban County for a minimum of three (3) years (submit reference letter) OR submit a written document that explains why the insurance agency/broker has the ability and knowledge to provide service for a large urban County.
- D. Provide the résumé of the Agency/Broker Principal that will have a direct day to day supervisory responsibility for the County's business and the résumé of other agency/broker personnel that will have direct, day to day responsibility for working with the County.
- E. Attached is a list of current insurance companies (Appendix A) providing coverage for Sedgwick County. Indicate which of these insurance companies your firm contracts with. If you don't contract with these companies submit a list of two insurance companies, that contract with your firm that would be willing and able to issue a policy for Sedgwick County. Indicate how long you have maintained a contract with each insurance company and approximately how many accounts you have with each insurance company.
- F. Submit a written response (plan) for each item in the SCOPE OF SERVICES section of this RFP.
- G. State the Commission for each line of coverage per your agency contract.
- H. State your annual fee for providing the requested services, 2015 through 2020.

6. Request for Proposal Timeline

The following dates are provided for information purposes and are subject to change without notice. Contact Kara Kingsley, kara.kingsley@sedgwick.gov, to confirm any and all dates.

Distribution of Request for Proposal to interested parties	July 31, 2015
Clarification, Information and Questions submitted in writing by 3:00 p.m. CDT	August 10, 2015
Addendum Issued	August 13, 2015
Sealed Proposal due before 1:45pm CDT	August 18, 2015
Evaluation Period	August 18-21, 2015
Board of Bids and Contracts Recommendation	August 27, 2015
Board of County Commission Award	September 2, 2015

7. Contract Period and Payment Terms

A contractual period with the successful firm will begin following award from Board of County Commission and will be for the duration of the project.

The Provider will act as an independent contractor in providing services and performing duties required by the County. Contractor will be at all times acting as an independent contractor and not as an officer, agent, or employee of the

County. As an independent contractor, contractor and any employees of the contractor will not be within the protection of coverage of County's worker's compensation insurance, nor shall contractor, and employees of contractor, be entitled to any current or future benefits provided to employees of the County. Further, County shall not be responsible for withholding of social security, federal, and/or state income tax, or unemployment compensation from payments made by County to contractor.

The contract period shall begin on October 1, 2015 following Board of County Commissioners approval of the recommended proposal. The contractual period shall be for a five (5) year term effective October 1, 2015 with successive renewals on October 1, 2016, October 1, 2017, October 1 2018, and October 1, 2019. Sedgwick County retains the sole right to determine if extensions after October 30, 2020 will be granted and will notify the successful vendor in writing approximately 90 days prior to the expiration of the current contract period if the contract will not be renewed.

Payments for all specified service(s) and/or products to the successful proposer can be made with the following criteria taken into consideration:

- Board of County Commission approval of the recommended purchase;
- Completion of any necessary training to ensure that Risk Management personnel will be able to successfully implement and maintain this benefit.
- Receipt of a detailed invoice, emailed to ap_invoices@sedgwick.gov or faxed to 316-941-5127.

8. Proposal Conditions

All times indicated in this solicitation document are central standard/central daylight as applicable.

In submitting a response to this Request for Bid, vendors hereby understand the following as applicable:
<http://www.sedgwickcounty.org/purchasing/RfqRfq/rfpcond.pdf>

9. General Contract Provisions

In submitting a response to this Request for Bid, vendors hereby understand the following as applicable:
http://www.sedgwickcounty.org/purchasing/General_Contractual_Provisions_2013.pdf

Appendix A

2015 RECOMMENDED INSURANCE RENEWALS -- RISK MANAGEMENT					
<u>FUNDING -- RISK MANAGEMENT</u>					
Coverage Information	2011 Premiums	2012 Premiums	2013 Premiums	2014 Premiums	2015 Premiums
1) Property Insurance	\$356,595	\$382,367
*A. 01/01/13 to 07/01/13			*\$167,858	7/1/2014	7/1/15 Est.
*B. 07/01/13 to 07/01/14			*\$349,616	Premium:	Premium:
TOTAL			\$517,474	\$375,935	\$387,213
2) Boiler & Machinery	Incl above	Incl above	Incl above	Incl above	Incl above
3) Roads & Bridges	Self Insure	Self Insure	Self Insure	Incl above	Incl above
4) Sirens	Self Insure	Self Insure	Self Insure	Self Insure	Self Insure
5) Underground Storage Tanks	Self Insure	Self Insure	\$2,760	3/21/2014 Premium	3/21/15 Est. Premium:
				\$2,646	\$2,725
6) Fleet Liability	Self Insure	Self Insure	Self Insure	Self Insure	Self Insure
7) Fire Fleet Physical Damage	\$26,818	\$29,020	Incl abv	Incl abv	Incl abv
8) EMS Professional Liability	Self Insure	Self Insure	Self Insure	Self Insure	Self Insure
9) Employee Blanket Bond	\$6,112	\$6,112	\$6,112	\$6,423	\$6,423
10) Money & Securities	Self Insure	Self Insure	Self Insure	Self Insure	Self Insure
11) Miscellaneous Bonds – estimate (notary, public officials)	Estimated	Estimated	Estimated	Estimated	Estimated:
	\$4,000	\$4,000	\$4,000	\$4,000	\$4,000
12) Insurance Agent Fee	\$28,000	\$28,000	\$28,000	\$28,000	\$28,000
13) Excess Workers Compensation	\$103,707	\$98,934	\$106,838	\$106,837	\$114,280
14) COMCARE -Professional Liability	\$48,902	\$39,280	\$39,280	\$39,602	\$39,602
15) Comcare - Professional Liability – Doctors	\$45,885	\$39,782	\$35,984	\$26,624	\$30,174
16) Regional Forensic Science Center - Professional Liability - Doctors	\$14,645	\$9,511	\$10,445	\$10,625	\$12,483
17) EMS - Professional Liability – Doctor	\$5,452	\$10,327	\$13,108	\$13,031	\$15,387
18) Health Dept -Professional Liability	\$21,412	\$15,763	\$14,575	\$11,115	\$14,295
19) Aircraft Hull & Liability	\$13,025	\$12,400	\$11,450	\$11,450	\$11,450
20) Leased Aircraft - Premium Estimate	\$4,000	\$12,400	\$11,450	\$11,450	\$11,450
21) Auto Physical Damage - Compare cov on 4 vehicles req by FEMA grant	\$1,259	\$1,193	\$1,086	\$964	\$1,000
Total Cost	\$679,812	\$689,089	\$802,562	\$648,702	\$678,482

Coverage Information	2015 Quote / Premium	2015 Quote/Premium Information Received from Other Insurance Companies			
		(If Declined to Quote, state reason)			
1. Property Insurance 7/1/13 to 7/1/14 Premium (Includes Terrorism)	7/1/15 Est. Premium:				
	\$387,213				
2. Boiler & Machinery	Included above				
3. Roads & Bridges	Included above				
4. Sirens	Self Insure				
5. Underground Storage Tanks	3/21/15 Est. Premium				
	\$2,725				
6. Fleet Liability	Self Insure				
7. Fleet (Fire Vehicles) Physical Damage	Included in Property Premium				
8. EMS Professional Liability	Self Insure				
9. Employee Blanket Bond	\$6,423	Travelers declined; not able to offer Faithful Performance of Duty	Hartford declined - would not be competitive with current program	Employee Blanket Bond is written with Fidelity & Deposit for a three year term guaranteed rate - anniversary installments	
10. Money & Securities	Self Insure				
11. Miscellaneous Bonds (notary, public officials)	Estimated	Bonds are written for a specific term - Not marketed annually			
	\$4,000				
12. Insurance Agent Fee	\$28,000				
13. Excess Workers Compensation	\$700,000 - SIR	Safety Natl \$750,000 - SIR \$109,776	Midwest Employers Declined to quote not competitive with current program		
	\$114,280	<i>SIR Increase must be approved by State of KS</i>			
14. COMCARE Professional Liability	Zurich				
	\$39,602				

	<i>(Includes \$5,000 deductible each medical incident & Crisis Management coverage with \$100,000 limit and \$15,000 retention)</i>				
15. COMCARE - Professional Liability - Doctors (7)	KaMMCO				
	\$30,174				
	<i>Dr. Hom, Dr. Jenkins, Dr. Lear and Dr. Xu will receive a refund of \$750 each from KaMMCO. This is due to their continued years of coverage with KaMMCO. Dr. Lauronilla will receive a refund of \$250.</i>				
16. Regional Forensic Science Center Professional Liability- Doctors (3)	KaMMCO				
	\$12,483 <i>Dr. Oeberst will receive a refund of \$750 from KaMMCO. This is due to her continued years of coverage with KaMMCO.</i>				
17. EMS Professional Liability - Doctor (1)	\$15,387 <i>Premium increased due to another year of prior acts coverage.</i>				
18. Health Department Professional Liability	\$14,295 <i>(Includes \$5,000 per claim deductible.) Premium is up due to increase in exposures.</i>				

19. Aircraft Hull & Liability	\$11,450	QBE Not competitive declined to quote	AIG not competitive declined to quote		
20. Leased Aircraft Premium Estimate (may not use)	\$11,450	QBE Not competitive declined to quote	AIG not competitive declined to quote		
21. Auto Physical Damage	7/1/15 Est. Premium	No other market for monoline comprehensive coverage			
	\$1,000				
Total	\$678,482				

PROPOSAL RESPONSE FORM
#15-0082
PROPERTY/CASUALTY INSURANCE AGENT SERVICES

The undersigned, on behalf of the Proposer , certifies that: (1) this offer is made without previous understanding, agreement or connection with any person, firm, or corporation submitting a proposal on the same project; (2) is in all respects fair and without collusion or fraud; (3) the person whose signature appears below is legally empowered to bind the firm in whose name the Proposer is entered; (4) they have read the complete Request for Proposal and understands all provisions; (5) if accepted by the County, this proposal is guaranteed as written and amended and will be implemented as stated; and (6) mistakes in writing of the submitted proposal will be their responsibility.

NAME _____

DBA/SAME _____

CONTACT _____

ADDRESS _____ CITY/STATE _____ ZIP _____

PHONE _____ FAX _____ HOURS _____

STATE OF INCORPORATION or ORGANIZATION _____

COMPANY WEBSITE ADDRESS _____ E-MAIL _____

NUMBER OF LOCATIONS _____ NUMBER OF PERSONS EMPLOYED _____

TYPE OF ORGANIZATION: Public Corporation _____ Private Corporation _____ Sole Proprietorship _____

LLC _____ LLP _____ Not For Profit Corporation _____ Partnership _____ Other (Describe): _____

BUSINESS MODEL: Small Business _____ Manufacturer _____ Distributor _____ Retail _____

Dealer _____ Other (Describe): _____

Not a Minority Owned Business: _____ Minority-Owned Business: _____ Certification # _____

African American _____ Asian _____ Hispanic _____ Native American _____ Other _____ Woman-Owned Business _____

ARE YOU REGISTERED TO DO BUSINESS IN THE STATE OF KS: _____ Yes _____ No

ACKNOWLEDGE RECEIPT OF ADDENDA: All addendum(s) are posted to our RFQ/RFP web page and it is the vendor's responsibility to check and confirm all addendum(s) related to this document by going to www.sedgwickcounty.org/finance/purchasing.asp .

NO. _____, DATED _____; NO. _____, DATED _____; NO. _____, DATED _____

Yes, I would like to be on the emergency vendor list.

No, I would not like to be on the emergency vendor list.

After Hours Phone #: _____ Emergency Contact Name: _____

After Hours Fax #: _____

In submitting a response to this document, vendor acknowledges acceptance of all sections of the entire document and has clearly delineated and detailed any exceptions.

Signature _____ Title _____

Print Name _____ Dated _____