

2021



Request for Proposal

Municipal Insurance

RFP# 06-2021 | ISSUED October 28, 2021

Deadline for submissions: 3:00 pm Local Time Thursday November 25, 2021

The Corporation of the Town of Shelburne

203 Main Street East | Shelburne, ON L9V 3K7

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1 INFORMATION FOR PROPONENTS

1.1 Closing Date and Time

Proposals shall be submitted prior to or by Thursday, November 25, 2021 at 3:00 PM local time. All proposals received after the specified closing date and time will not be considered. There will be no public opening for this RFP.

1.2 Corporate Contact

Prior to submitting a Proposal, read the entire solicitation, including the Terms and Conditions (Section 2), all addenda, any other documentation supplied by the Town of Shelburne for information purposes.

Any questions or concerns arising out of this RFP should be addressed to:

Carey Holmes, AMCT
Director of Financial Services / Treasurer
Phone: (519) 925-2600 x228
cholmes@shelburne.ca

1.3 Obtaining Documents

RFP packages (for Schedule B) can be obtained from The Corporation of the Town of Shelburne by request by emailing cholmes@shelburne.ca

1.4 Submission of RFP Documentation

Electronic Submission of Proposals

Proponents will submit their entire RFP, and all completed forms/attachments electronically to: treasurer@shelburne.ca with the email heading clearly stating **RFP 06-2021 Municipal Insurance Submission**. Deadline for submission is outlined in 1.1 and must be followed.

Format

When preparing an electronic proposal submission, please conform to the following file formats.

- Searchable PDF
- Microsoft Word

For compressed file:

- Standard ZIP format (For Mac users, please avoid using resource fork constructed files)

The following file formats will not be accepted:

- JPEG Image format
- “Interactive” (Adobe flash) files – only regular adobe pdf files allowed

The Town has the right to reject any proposal if the conditions are not met.

2 TERMS AND CONDITIONS

2.1 Acceptance The submission of a Proposal(s) indicates acceptance by the Proponent of the instructions, terms, conditions and requirements or other information as set out in this RFP. Any variations from this information must be submitted in writing with the completed Proposal.

2.2 Proponent’s Minimum Qualifications Proponents shall demonstrate that they have the resources and capability to provide the materials and services as described herein. Each Insurer must provide evidence of long-term financial strength and viability including: Financial Statements and AM Best rating. Proponents (brokers and insurers) must provide evidence of municipal experience including familiarity with operations and associated risks as well as demonstrated comprehensive knowledge of legislation governing municipal operations.

2.3 Municipal Information Waiver All information contained in this document and any potential subsequent addenda, with respect to operations, qualities, values, description of properties, losses etc., are reasonably and realistically accurate to the best of the Municipality’s knowledge however, it is not guaranteed correct by the Town.

2.4 Expense Incurred Submissions are made at the sole expense of the Proponent and the Town takes no responsibility for any expense incurred by a Proponent in preparing or submitting its proposal.

2.5 Conflict of Interest

Proponents must ensure that they are not in a position that may be perceived as a conflict of interest.

2.6 Legal Proceedings with the Town

No Proposal will be accepted from any Proponent which has a claim or has instituted a legal proceeding against the Town or against whom the Town has a claim or instituted a legal proceeding with respect to any previous contract, bid submission or business transactions.

2.7 Rights Reserved

- This request does not commit the Town to award a contract for insurance coverage. The Town shall not be liable for any expense, loss or damage incurred or suffered by any proponent as a result of a non-award of this Proposal call.
- The Town reserves the right to increase or decrease the coverage for insurance purposes or to add additional items to the policy at any time during the duration of the insurance policy, subject to additional or reduced premiums.
- The Town reserves the right to ultimately select, in its own best judgment, and at its sole discretion the firm it deems best qualified to carry out this agreement. The Municipality's determination will be final and not open to review or challenge, whether it is alleged that the selection is arbitrary or otherwise not in accordance with standard trade practice.
- The Town reserves the right to cancel, terminate or withdraw this Proposal call at any time or to accept or reject all or any part of any Proposal.
- The Town reserves the right to retain all Proposals submitted and to employ any concepts contained in a Proposal regardless of whether or not that Proposal is selected.
- The proposal with the lowest cost will not necessarily be accepted and the Town reserves the right to accept any portion of any bid received.
- The Town reserves the right to enter into further discussions in order to obtain information that will allow the Town to reach a decision with a Proponent, and to waive irregularities and omissions if, in doing so, the best interest of the Town will be served.

3 EVALUATION PROCESS

3.1 Presentation

An award may be made solely on the basis of the offer received, without the Town seeking any clarification, meeting or presentation by the Proponent. Therefore, each Proposal should contain the Proponent's best terms/information, including all required documentation and information as listed in the RFP.

No other Proponent is entitled to be present or to receive any information regarding the presentation of any Proponent. Representatives of the Proponent(s) invited to make a presentation shall be fully versed on the contents of the RFP and the Proponent's Proposal.

The Town Council may receive a 15 minute presentation from the shortlisted Proponent's at a Council meeting determined by Council to present their presentation and answer any questions of Council. Currently we are recommending a presentation for December 13 2021, at 6:30 p.m. remotely via Zoom. Proponents will be notified of their presentation times, if Council wishes to hear delegations.

3.2 Evaluation Criteria

In recognition of the importance of the procedure by which a proponent may be selected, the following criteria outlines the primary considerations to be used in the evaluation and consequent awarding of this contract (not in any particular order). Evaluation of Proposals will include but not be limited to the following:

- Municipal Insurance Experience
- Experience with Government Entities
- Staff qualifications
- Insurance services offered
- Accuracy and comprehensiveness of submission
- Cost of the Insurance program
- Other related fees for services
- Coverage
- Service and support
- Value added services

4) CONTENT REQUIREMENTS

4.1 General Requirements Your Proposal must:

- Contain signed copies of any and all addenda that have been issued
- Include a signed Statement of Acceptance, attached as Schedule A
- Contain the completed **COMPONENTS** in the Checklist attached as Schedule C
- Include responses to all requirements noted in Sections 5 and 6
- Be no larger than 100 pages in size, per proposal
- Be signed
- Arrive as outlined under Section 1.4

4.2 Corporate Profile

A brief Corporate Profile shall be included detailing the company's expertise in the provision of General Insurance, number of years in business, number of employees, and the company's commitment to client satisfaction.

Include documentation confirming financial capacity and stability, company policies and procedures in conducting business.

Include the address and telephone number of your head office as well as the location(s) of the proposed servicing office and methods by which the Town will be able to interact with the proposed account management team. Include a contact(s) for this RFP.

Include why we should choose your firm.

Confirm Insurance requirements can be met.

A Proponent must be prepared if requested to present evidence of experience, ability, capacity, service facilities, financial resources and managerial controls necessary to satisfy the requirements set forth or implied in the Proposal.

4.3 Qualifications and Experience

The Proponent is requested to provide detailed information that clearly demonstrates the Proponent's project teams' qualifications, skills and competency in accordance with standards generally accepted in the industry to perform the services in a proper and professional manner providing exceptional results within the requisite timeframe.

The Proponent is to provide a resume for each key project team member outlining relevant experience that is required for this project, detailing qualifications, formal education, training and certifications.

Clearly identify the team structure, primary contact and expertise contacts, detail the role and responsibilities of each team member. Include all support staff and resources that would be available on our account.

Provide information on the availability of specialists as required.

Confirm that should there be a change in a team member; the Town will be advised of such changes.

Demonstrate familiarity relevant to the Municipality's insurance needs including an overview of your firm's experience in providing similar services to the public sector.

4.4 Identification and Competency of Carrier(s)

All proposed insurance carriers must be clearly identified with address location. The percentage subscription of the carrier is to be identified for each class of insurance and the Proponent must warrant that all subscribers are firm authorizations. A record of their experience and competency to provide coverage should be submitted with the Proposal.

4.5 References

The Proponent is to provide a minimum of three (3) municipal references that can be contacted, where programs of a similar scope/magnitude are in progress or have been completed within the last five years.

4.6 Ease of Transition

Detail the steps and time required to assess, secure and implement the required insurance coverages and proposed services.

5) SERVICE REQUIREMENTS

5.1 Scope of Work

All proposals must be made on the basis of, and either meet or exceed, the requirements contained herein. A Proponent must have the ability to undertake at a minimum the following functions:

- Negotiation and placement of insurance contracts, specific to meet the Municipality's requirements, with the broadest available terms and conditions at premiums commensurate with the state of the insurance market.
- Placement of coverage with financially stable insurers, licensed to transact business in the Province of Ontario.
- Production of timely and accurate insurance documentation (policies, binders, certificates etc.)
- Provision of timely and relevant information on the status of the insurance market including available coverage, terms, conditions and pricing.
- Production and maintenance of accurate and up-to-date insurance summaries for each insurance policy.
- Production of loss claims data reports.
- Attendance by an Account Executive and/or other personnel as required at various insurance meetings.
- Provide same day advice on day-to-day concerns or clarification of coverage matters. Provide advice concerning insurance and/or indemnity provisions for Municipal Tenders, RFPs, contracts and projects.
- Assist as required in resolving claims-related issues with insurers or other insurance intermediaries providing insurance services to the Town.
- Preparation and delivery at least sixty (60) days prior to renewal of policies, a report including:
 - A detailed claims schedule including reserves of outstanding claims
 - The renewal premium with details and explanations for any changes in pricing, coverage, terms and conditions
 - Proposed renewal strategy and any recommended changes to policies, terms and conditions.

5.2 Claims Management Services

Please describe in detail how claims for the Town will be handled. Provide an overview of the Claims Management Program that your organization would use. Outline the claim/incident reporting process that would be implemented.

Discuss the use of adjusters, legal representatives, investigations, settlements and claims management software, if applicable.

5.3 Adjuster Services

The Town, together with the successful proponent, may appoint an independent adjuster to handle all or any of the claims.

5.4 Coverage Specifications

The following describes the current requirements of the Town, however it should be noted that alternative proposals whether it be in insured limits or deductibles are welcomed and encouraged.

- Municipal Liability Insurance – Public Entity Casualty – Excess Liability
- Errors and Omissions Liability Insurance
- Non-Owned Automobile Insurance
- Environmental Liability Insurance
- Comprehensive Crime Insurance
- Councillor's / Board Members' Accident Insurance
- Conflict of Interest Insurance / Legal Expense Coverage
- Property Policy
- Boiler and Machinery Insurance
- Automobile Fleet Insurance
- Equipment Insurance
- Cyber Risk Insurance
- Special Event Insurance (3rd party)

5.5 Certificates of Insurance

The Town requires approximately 20-25 Certificates of Insurance to be issued on its behalf annually.

5.6 Definition of Named Insured

The definition of "Named Insured" is intended to cover all operations of the Town. It is further intended that any variation on the descriptive wording as determined by Council is to be included as part of the Named Insured. Specifically, to be included are all of the Municipality's affiliated Boards, Commissions, Committees, and Council, and all volunteers, while performing duties on behalf of or in association with the Town. In addition, the Named Insured must include the affiliated agencies listed in existing agreements as outlined in Schedule B.

5.7 Coverage

The following highlights some of the Municipality's key requirements for coverage and deductibles:

- **Subscription Identification:** if more than one Insurer is proposed for a selected coverage, each Insurer and percentage of subscription is to be identified for each class of insurance and the proponent must warrant that all subscriptions are firm authorizations. As well, all Liability Insurance, including Municipal Liability, Errors and Omissions Liability, Non-Owned Automobile and Environmental Liability must be placed with the same General Insurance Company.
- **Wordings:** Insurers may quote on their own wordings as long as all conditions are met by the wordings. The Town will require that original specimen wordings must accompany the Proposal showing all terms, conditions and exclusions. It is mandatory that deviations from the coverage requested be outlined in full in a separate section, marked “Deviations”.
- **Claims Made:** The Errors and Omissions Liability and the Environmental Liability policies are to be written on a claim made form.
- **Assignment/Transfer:** the successful Proponent will not assign or transfer any portion of the Proposal submitted and subsequently accepted without receiving prior approval to do so by the Town.
- **Coverage:** At any time of this Agreement, the Town reserves the right to increase coverage for insurance purposes, or to add additional items to the respective policies or to increase or decrease deductibles, all of which would be subject to increases/decreases to premium costs.
If coverage exceeds those set out in the “Coverage Requirements”, Proponents must include a separate recommendations section to their submission outlining enhancements and costs associated.

5.8 Alternative Requirements

The above describes the current requirements of the Town, however, it should be noted that alternative Proposals, whether it be in insured limits or deductibles, are welcomed and encouraged.

5.9 Program Costs

As outlined in Schedule B, all premium pricing is firm for the full initial year (2022) and reviewed for every additional year of renewal. The Town and the successful Proponent have the right to adjust coverage as needed within the coverage year as directed by the Town.

6) CONTRACT AWARDING PROCESS

6.1 Contract Terms and Conditions

The Contract with the Successful Proponent will contain the following Contract Terms and Conditions. Proponents taking exception to these terms and conditions or intending to propose additional or alternative language must:

- (a) Identify the specific terms and conditions to which they take exception or seek to amend or replace; and
- (b) Include any additional or different language with their proposal.

Failure to both identify with specificity those terms and conditions the Proponent takes exception to or seeks to amend or replace as well as to provide Proponent's additional or alternate Contract terms may result in rejection of the proposal. The Town may accept additional or alternate language if so provided with the proposal.

6.2 Contract Term

The Contract Term shall be one (1) year commencing January 01, 2022 to December 31, 2022 with an option to renew annually for up to 5 years.

Pricing for the first year shall remain firm. The policy and premiums will be reviewed annually (60 days prior to expiration of the annual contract) and execution of annual contracts will be mutually agreed between both parties. Should the Town exercise the right to extend this Contract, the Successful Proponent and the Town shall enter into negotiations, to determine the new rates for services listed in this RFP. Only upon satisfactory negotiations of both parties shall the Contract be extended. All rates negotiated for each Contract extension shall remain firm for the entire extension year.

Council will decide on the successful Proponent for an insurance policy to come into effective as of January 1, 2022, at 12:01 a.m. We are defining that the insurance policy will have consideration of a maximum five-year term before an additional RFP will be sent out.

The Town does reserve the right to start an RFP process at any time after the initial year, if, terms and requirements are not met to the Town's standards.

Proponents will be advised of Council's decision as it becomes available.

6.3 Assignment of Contract

This Contract may not be assigned in whole or in part without the written consent of the CAO and Town Treasurer.

6.4 Contractual Disputes

In the event of a dispute between the Town and the Successful Proponent, both parties agree to appoint representatives, who in good faith will use their best efforts to resolve the dispute.

Should the representatives be unable to promptly resolve the dispute, both parties shall agree to continue the work as required being understood that neither party will jeopardize any claim that they may have.

6.5 Severability

In the event that any provision shall be judged or decreed to be invalid, such ruling shall not invalidate the entire Agreement but shall pertain only to the provision in question and the remaining provisions shall continue to be valid, binding and in full force and effect.

6.6 Non-Exclusive

Any Contract awarded as a result of the RFP will be non-exclusive. The Town may, at its sole discretion, purchase the same or similar services from other sources during the term of the Contract.

6.7 Cancellation

All insurance policies shall require a sixty (60) day written notice of cancellation by the Insurer, unless otherwise noted and agreed to by the Insured.

6.8 Governing Law

Any Contract resulting from this RFP shall be governed by and interpreted in accordance with the laws of the Province of Ontario.

SCHEDULE A – STATEMENT OF ACCEPTANCE

I/We, the undersigned, having examined the RFP and do hereby affirm the acceptance of the requirements of the RFP. I/We do certify the information supplied in the Proposal to be true and complete in all respects.

I/We

(Name – Print) (Position)

of

(Proponent’s Company Name)

Dated at _____ this _____ day of _____ 2021

Print Name Authorized Signature to bind Company

Street Address

City Province Postal

Telephone No. Facsimile No.

Email Address

Signature

Signature in the designated space, by an authorized officer of the Proponent company affirms acceptance of the Request for Proposal requirements set forth in this document, the associated costs (where applicable) attributed to the business arrangement between the Proponent and The Corporation of the Town of Shelburne and hereby certifies that the information supplied in this proposal to be true and compete in all respects.

SCHEDULE B – COVERAGE REQUIREMENTS

The attached areas of coverage are currently in place for the Town and we require premium pricing for each sector outlined. Please provide a summary of all premiums in a covering quotation in a clear and precise format.

- Details for this Section will only be provided to those requesting to submit a proposal and will include
 - Vehicle Listing
 - Building Listing
 - Content Listing of Current Value Amounts
 - Schedule of Coverage with limits and deductibles
 - Claims History and Reserve
 - Equipment Listing (from Asset Management*)
 - Land Improvement Listing (from Asset Management*)

- Named Insured shall include:
 - Corporation of the Town of Shelburne
 - Shelburne Public Library Board
 - Shelburne Police Services Board
 - Shelburne & District Fire Department & Joint Board of Management
 - Centre Dufferin Recreation Complex Board
 - Shelburne Business Improvement Area

*Asset Management Listings are included to provide some details and clarity of content items and may be an overlap of items listed on other schedules with items already included in other value listings. It is recognized that current content values may not be reflective of some of the larger value items identified through Asset Management. Due to time constraints in acquiring pricing, and for consistency please use the Current Content Listing Value Amounts, knowing that the Town will ask the successful proponent to assist in a future fulsome insurance audit and appraisal update of all assets.

SCHEDULE C – CHECKLIST REQUIREMENTS

Before submitting, please check that the following things have been done:

- a) Have you addressed all items in Section 4 and 5
- b) Have you included everything required in Company profile, references, qualifications and experience
- c) Have you addressed the transitional plan
- d) Have you provided an electronic version as stipulated
- e) Program Costs clearly defined as per Schedule B
- f) Can you meet the commencement date as outlined
- g) Have you signed the documents