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REQUEST FOR PROPOSAL #1997
Risk Management Consultant and
Commercial Insurance Brokering Services
Period of Performance July 1, 2018 through June 30, 2019

This Request for Proposal dated March 19, 2018 is being issued to receive proposals by the Purchasing Officer, Brian K. Jackson, Contra Costa Water District (District), 1331 Concord Avenue, Concord, California, until **10:00 A.M., April 4, 2018** for Insurance Brokering Services which will include loss control consultation, claim consultation, marketing of commercial property and casualty insurance coverage for fiscal year 2019 (FY19), beginning on July 1, 2018 through June 30, 2019, and a priced optional 12-month extension period for fiscal year 2020 (FY20), from July 1, 2019 through June 30, 2020, to be exercised at the District's sole discretion. Proposal priced option sheet(s) must be included for FY20, the optional 12-month extension for the proposal package, to be considered a complete submission. The District will evaluate both one- and two-year pricing and will determine what appears to provide the best value to the District.


The District reserves the right to award multiple contracts for optimal staffing coverage. The successful respondent (Firm) will be required to enter into a contract with the District to provide insurance brokering services. Proposals received after the designated date and time will not be accepted. Proposals must be submitted in sealed envelopes marked "Insurance Brokering Services" and should be addressed to the Purchasing Officer, Contra Costa Water District, 1331 Concord Avenue, Concord, CA 94520.

No faxed or email bids will be accepted. Bidders must also provide with their four (4) hard copy bid (paper) an electronic version on a flash drive containing all required documentation in Word/Excel PDF format.

The desired outcome in selecting a Broker of Record is to:

- Reduce overall risk management cost
- Enable the District to protect and preserve rate-payer dollars
- Provide the highest level of customer service in coordinating the assessment and management of the District's risk
- Provide an efficient and cost-effective means of processing information and responding to District queries involving risk management strategies.

The term of this agreement will be for the period of July 1, 2018 to June 30, 2019, with an option to renew for one additional one-year period, based on a service evaluation and business needs, at the sole discretion of the District.


Brian K. Jackson
Purchasing Officer
Contra Costa Water District

Proposals shall be prepared in accordance with the following attachments, including completing and submitting the forms enclosed with each Attachment:

- Attachment A: Proposal Submittal Requirements
- Attachment B: Scope of Services
- Attachment C: Standard Services Agreement
- Attachment D: Broker of Record Questionnaire
- Attachment E: Broker of Record Fee Proposal
- Attachment F: Insurance Policy Summary

INSTRUCTIONS

The successful respondent (Firm) will be required to agree to the attached contract terms and conditions without modification, in order to provide the described Insurance Brokerage Services. **Please provide four copies of the completed Broker of Record Questionnaire and Broker of Record Fee Proposal by 10:00 a.m. on Wednesday, April 4, 2018.** Proposals received after the designated date and time will not be accepted. Proposals must be submitted in sealed envelopes marked "Insurance Brokerage Services" and should be addressed to the Purchasing Officer, Contra Costa Water District, 1331 Concord Avenue, Concord, CA 94520. No faxed or electronic submittals will be accepted.

ORAL PRESENTATIONS

Following a review of the submitted responses, Applicants selected by the District will be invited to oral interviews on April 9, 2018 and April 10, 2018. The presenters for the Broker should include, but are not limited to, the Account Executive and Assistant Account Executive if available.

The length of the oral presentation will be a maximum of 50 minutes. Applicant presentation will be a maximum of 20 minutes followed by a question and answer session of no more than 30 minutes.

The District expects to select a Broker of Record by June 1, 2018 and award the contract effective July 1, 2018.

SCHEDULE

Proposal Release Date	March 19, 2018
Submittal of Written Questions	March 27, 2018 not later than 1:00 P.M.
Response to Written Questions	March 29, 2018 not later than 1:00 P.M.
Proposal Package Due Date	April 4, 2018, 10:00 A.M.
Panel Interview	April 9-10, 2018
Anticipated Contract Start Date	July 1, 2018

AWARD CRITERIA

Proposal evaluation and contract awards will be based on the following:

1. Demonstrated competence, ability to execute services effectively (20%)
2. Firm's Qualifications and Experience (20%)
3. Water Agency Experience (20%)
4. Fee (40%)

This package provides details on what must be included in a respondent's submission packet. The District encourages contracts with minority and women-owned and operated business enterprises.

The District does not obligate itself to accept the lowest proposal or any particular proposal and specifically reserves the right to reject any or all proposals, to make any awards or rejections in what it alone considers to be in the best interest of the District, and to waive any irregularities in the proposals.

Pursuant to Section 1770. et. seq. of the California Labor Code, the successful proposer shall pay not less than the prevailing rate of per diem wages as determined by the Director of the California Department of Industrial Relations.

Request for Proposal packages may be obtained from the Contra Costa Water District Purchasing Officer at 1331 Concord Avenue, Concord, CA 94520 or at www.ccwater.com. No other contract documents will be signed and no additional contract negotiations will be considered.

The successful proposer must ensure that employees and applicants for employment are not discriminated against on the basis of age, color, race, national origin, ancestry, religion, sex, sexual orientation, marital status or any other federal, state, or local protected classifications and comply with the Americans with Disability Act.

PROPOSAL SUBMITTAL REQUIREMENTS

MINIMUM REQUIREMENTS FOR BROKER OF RECORD

Please address each and all of these requirements in your proposal submittal response package:

- 1) Ten years in business as a firm and licensed as a broker in California
- 2) Premium volume of \$50,000,000 annually, excluding personal, life and accident and health lines.
- 3) One account executive with ten (10) years-experience in commercial insurance business, as broker, underwriter or in risk management; One assistant account executive with five years commercial insurance, underwriting or risk management experience. Both must have Property and Casualty Broker's License.
- 4) Ability to execute the services outlined in the Questionnaire and Proposal Form.
- 5) Provide review of District contracts and advise on appropriate insurance requirements.
- 6) Update and trend District property values for marketing of property coverage.
- 7) Discuss gaps, proposed changes, and improvements in coverage with Risk Management Officer prior to renewal.
- 8) Explore markets and obtain quotations for coverage as requested by the District, including quotations for programs with various deductibles, SIRs, etc.
- 9) Annually provide updates on contacts for notifying excess insurance carriers of claims with potential to pierce excess layer.
- 10) Provide claims assistance to District as needed to process insurance claims.

SCOPE OF SERVICES

- 1) Obtain property, casualty, crime, boiler and machinery, and other insurance and technical services as required by DISTRICT by marketing and negotiating terms, conditions and premiums with various insurance company underwriters, and providing appropriate alternatives and financial analysis of recommended insurance carriers. At SIR levels of \$350,000 per-claim and \$500,000 per-claim.
- 2) BROKER will assist DISTRICT, as requested, in various risk management services to include, but not be limited to, risk and loss analysis, risk financing alternatives, marketing strategy, and determining appropriate self-insured retention levels, annual review and advisement of DISTRICT's standard insurance and indemnification language, routinely review and advise on appropriate insurance and indemnification requirements for DISTRICT contracts.
- 3) BROKER will update and trend DISTRICT property values for marketing of property insurance each year for submission to the underwriters for annual property renewals.
- 4) BROKER will provide supplemental and advisory claim consultation services on settlements, reserves, and claims to insurance companies as necessary, as requested by DISTRICT.
- 5) Arrange strategy meetings with Risk Management Officer in advance of marketing each line of insurance. In advance of meeting, review current policies, propose changes and improvements in coverage with the Risk Management Officer prior to marketing and renewals.
- 6) Notify excess insurance carriers as required by insurance policy to include claims with potential to exceed excess layers and/or specific injuries/illness as required by the policy.
- 7) Provide general liability and workers' compensation claims auditing services, as needed.
- 8) BROKER shall submit to the DISTRICT an invoice for all DISTRICT approved premiums for insurance policies negotiated between BROKER and underwriters within 30 days of receipt from the underwriter. DISTRICT shall process payments for premiums within 30 days of receipt of the invoice from the BROKER.
- 9) Provide invoices for insurance renewals and copies of audited policies within 30 days of renewal.
- 10) BROKER marketing services for Workers' Compensation with SIR options of \$350,000 per -claim, and \$250,000 per-claim.

All Services must be included in annual proposed fees.

BROKER OF RECORD QUESTIONNAIRE

Provide a brief history of your Firm and office that will service this account.

Provide the name, experience and qualifications of each proposed team member in each category. Specifically include public entity and utility experience. Outline the specific responsibilities of the following team members:

ACCOUNT SUPERVISION

1. What will be the specific responsibilities of:
 - a. Account Executive
 - b. Assistant Account Executive

INSURANCE MARKETING

1. What will be the specific responsibilities of:
 - a. Account Executive
 - b. Assistant Account Executive
 - c. Other marketing team members
2. Describe your Firm's marketing philosophy.

RISK MANAGEMENT SERVICES

1. Describe all available services included under the proposed annual fee and list separately any optional services that would be available for an additional fee.
2. Of those services listed above that would be provided at an additional fee, please outline the fees for each additional/optional service.
3. Insurance premium volume of Firm, excluding personal, life, accident and health (select):
 - a. Under \$50 million
 - b. \$50 – 100 million
 - c. Over \$100 million
4. Describe the resources available to you through your organization and/or strategies you will use to assist the District in reducing its overall risk management cost. Please include a description of the extent of contract review services your Firm provides.
5. Provide a description of the characteristics your Firm and/or your staff has that set you apart from your competitors.
6. What services do you offer that set you apart from your competitors? Please confirm whether the referenced services are covered under the annual fee. If not, please include pricing.

7. Will you provide the District with a specific point of contact to facilitate all insurance and risk-related business? If so, who will that be?
8. Please carefully review the RFP and the attached Sample Contract and confirm your Firm's ability and willingness to comply with all of the terms and conditions.
9. If unable or unwilling to comply with all the terms and conditions listed in the RFP and/or sample Contract, please list each item in which you are unwilling or unable to comply with and clearly outline any counter proposals specific to each.
10. Why is your Firm best suited to be the District's Broker of Record? What would be the objectives for the first six months? First year? Ongoing?

OTHER INFORMATION

References are requested as part of the proposal format. Five references are requested. Having a Public Utility as a reference is desirable but not required. Include client name and address along with a contact and telephone number. Comments as to the number of years of service and briefly describe the services provided. Expect that the references will be contacted.

Provide a list of clients that have transferred their account to a new Broker within the last 24 months.

BROKER OF RECORD FEE PROPOSAL

Firm: _____

SERVICES	FY 19	FY 20
Risk Management Services		
Technical Services <ul style="list-style-type: none"> • Engineering Consultation • Liability Loss Control Consultation, including Contract review and advisement on insurance and indemnification matters. • Review and update District standard insurance and indemnification language annually. • Workers' Compensation Loss Control Consultation • Financial Consultation 		
Claims Management <ul style="list-style-type: none"> • Claim Consultation • Claim Audit Services 		
Insurance Marketing <ul style="list-style-type: none"> • Casualty Insurance • Property • Miscellaneous Insurance 		
* Proposed Cost Per Year	\$	\$

*Includes all fees, i.e., staff support, secretarial, clerical, word processing, etc. A contract fee for the authorized years of the contract will be negotiated and approved before the contract is awarded as a flat annual fee and will be paid in addition to net premiums negotiated for the District's insurance program. Any commission funds over the negotiated broker fee will be applied to the fee billing and/or returned to the District (at the District's discretion) and will be used to cover urgent unanticipated risk management services.

INSURANCE POLICY SUMMARY 2018 / 2019

<u>POLICY</u>	<u>LIMITS</u>	<u>DEDUCTIBLE</u> <u>(S.I.R)</u>
<u>Liability</u>		
General / Auto	\$10 Million \$20 Million	Primary (SIR \$500 K) Secondary
<u>Workers' Compensation</u>		
	Statutory	SDRMA Pool (SIR \$350K)
Employers Liability	\$5 Million	
<u>Property – incl. Boiler & Machinery</u>		
All Risk	Replacement	Ded. \$100 K
Flood	Replacement	Ded. \$250 K
Earthquake	None	
<u>Crime</u>		
Employee Dishonesty	\$1 Million	Ded. \$10 K
Marine Mobile Equipment	ACV	Ded. \$100 K