



City of Moline, IL

**Request for Proposal
PROPERTY, CASUALTY and WORK COMP INSURANCE
FOR THE CITY OF MOLINE, ILLINOIS**

Issue date:

September 1, 2010

Closing date and time:

A complete copy of the sealed proposal must be received by 12:00 PM on October 25, 2010

This has been extended from the original date of October 4, 2010

Closing location:

Human Resources Office
City of Moline
619 16th Street
Moline, IL 61265

Contact person:

Amy Valdes, Human Resources Manager
Human Resources Office
City of Moline
619 16th Street
Moline, IL 61265
Phone: (309) 524-2069

CITY OF MOLINE, ILLINOIS
REQUEST FOR PROPOSALS FOR PROPERTY, CASUALTY AND WORK COMP
INSURANCE

The City of Moline is seeking proposals for its self-funded property, casualty and work comp insurance program. Interested firms are asked to submit their proposals by Monday, October 4, 2010.

Attached hereto are the general conditions, standard instructions, proposal specifications, and forms. Specific attachments and schedules must be requested through Karen Pouder at kpouder@moline.il.us who will forward them by return e-mail.

Variations from the given specifications should be attached as a separate submittal with an explanation of the said variation(s) and should NOT be included as an alternative to the current coverage limits and program outline. The main response to this RFP should include the specifications outlined below.

Request for Proposals are to be sealed, marked with the respondent's name, labeled "**Property, Casualty & Work Comp Insurance Request for Proposals**" and received by the:

City of Moline
Amy Valdes
Human Resources Manager
619 – 16th Street
Moline, IL 61265
309-524-2069 office
309-524-2060 fax

no later than Monday, October 4, 2010, 12:00 p.m. Central Time. All submitted proposals will be recorded. All inquiries concerning this RFP should be made to Karen Pouder via email at kpouder@moline.il.us.

General Conditions & Guidelines

1. It is the intent of the City of Moline to establish and maintain its comprehensive and overall property, casualty and work comp program on a three (3) year cycle with an annual policy effective date of December 31, 2010, provided that the City reserves the right to terminate and/or replace any coverage or relationship with any broker/agent at any time at the sole discretion of the City. Request for Proposals for this program may be requested at any time should the services or costs become unacceptable or unwarranted.
2. The City of Moline will make any decision to purchase the coverages for its property, casualty and work comp insurance program based on the best coverage for the best premium.
3. To ensure that proposals best meet the City of Moline's needs, the City retains the right to request revisions after submission of proposals and prior to the award of any business. Negotiations may be conducted with responsible vendors whose proposals are found to be likely to be selected for the award.
4. The City of Moline reserves the right to reject any or all proposals or to waive irregularities at its option when in the best interest of the City of Moline.
5. The Agent/Broker who is awarded this business will be the Agent/Broker of record for the following three (3) years subject to earlier termination at the sole discretion of the City. The Agent would be required to present three (3) competitive quotes from underwriters for each of the following years. If the market is such that three (3) competitive quotes cannot be obtained, the agent/broker would submit a letter of explanation. The City of Moline does reserve the right to request proposals during this time frame if it is believed to be in the best interest of the City of Moline or to revert entirely to self-insurance.
6. Award of the business is contingent upon approval of the City Council and budgeting and appropriation of funds for these items.
7. The City of Moline will not be responsible for any cost related to the development or presentation of any vendor's proposal or for negotiation of any potential contract.
8. All proposals submitted must be good for at least 90 days from the last day proposals are accepted.
9. The premium can be renegotiated no later than sixty days (60) before the anniversary of the policy.
10. Cancellation: A sixty-day notice for notice of cancellation, major changes in terms, or intent not to renew is required from the Agent/Broker and Carrier.
11. The City of Moline reserves the right to waive proposal formalities and requirements. Proposals that exceed the minimum specifications and deductibles contained herein will be considered.
12. The award of this business will not be limited to cost. The City of Moline hereby reserves the right to give full and proper consideration to a vendor's knowledge, experience with municipal insurance and authority to do business in Illinois, reputation, familiarity with the City's circumstances and needs and the demonstrated competence of its servicing facilities. Proposals

other than the lowest price may be considered or awarded based on the relative advantage and value to the City based on the criteria provided in the City of Moline Code of Ordinances, Section 27-3101. The City of Moline reserves the right to award all, part or none of the services requested in this Request for Proposal.

13. All quotes must be from companies that are licensed to do business in the state of Illinois and have an A.M. Best's rating of A or better. A copy of the most recent Best's rating must be included with your proposal.
14. Payment terms for any and all plans and options should be included with your response. The City of Moline would prefer to make quarterly payments.
15. It is understood that applications may be required in some instances, but it is requested that quotations be based on the information contained in the Bid Specifications. Applications will be completed after the award of the insurance.
16. The following endorsements are **mandatory**:
 - a. Broad Form Named Insured
 - b. 90 Day Notice of Cancellation
 - c. Knowledge of Occurrence
 - d. Unintentional Errors and Omissions
 - e. Notice of Occurrence (Loss)
17. The responding Agency must furnish a list of all Illinois public entities that they have done business with over the last three years. This list should note which entities are still clients.
18. It is critical that the City of Moline be kept apprised of developing claims experience under all policies. Therefore, it is a condition of this request for proposals that an itemized listing of losses is provided to the Human Resources Manager on a quarterly basis. The report should be cumulative to year end and should include at least date of accident, description, kind of insurance, whether claim is open or closed and estimated incurred value as of date of report.
19. Agent must provide professional guidance for maintenance of appropriate coverages, must assist the City of Moline in identifying new and emerging risks and must provide services necessary for complete and accurate reporting to underwriters.
20. It is not essential that a bid be submitted for each coverage or option. If, however, your bid is conditional upon writing all of the insurance on which you have made a bid, or on some combination of coverages, this should be clearly indicated.
21. Alternatives or substitutes in addition to those requested for any part of the program are invited as long as they are identified as a separate submittal and the reason for the change is clearly documented. The City is requesting proposals for the very detailed specifications listed in this document, additional enhancements or cost cutting measures are welcome as a separate proposal.
22. All responses must include copies of the policy forms and endorsements. The City of Moline reserves the right to request additional information at any time. Companies submitting a renewal response are not required to furnish policy forms unless there is a change in the form.
23. Responses should be in a sealed envelope marked "Property, Casualty and Work Comp Insurance RFP". The City of Moline accepts no responsibility for the premature opening of envelopes that are not properly marked. The City of Moline reserves the right to consider responses that have been determined by the City of Moline to be received late due to mishandling by the City of Moline.

24. All agents/brokers will be required to provide evidence of insurance of at least \$1,000,000 of Errors and Omissions coverage prior to award of business.

Services Requested

All items listed below are value-added components of a complete Risk Management and Insurance program that the City of Moline wishes to receive. Please provide the City of Moline with your qualifications, experience, and plan to execute these services.

Please indicate any extra costs associated with each item, if necessary.

1. Risk Management & Safety
 - a. On site visitation of facilities and risk analysis
 - b. Awareness training
 - c. Awareness through safety bulletins and newsletters

2. Property Appraisals
 - a. Building valuations
 - b. Content valuations
 - c. Historic valuations

4. Safety Grant
 - a. Funds to develop risk management program

5. Brokerage Services
 - a. Insurance Coverage Advice
 - b. Certificate of Insurance issuance
 - c. Review of contracts and indemnity agreements
 - d. General risk management advice

Named Insured

The Named Insured where applicable is to be amended to include:

1. City of Moline, Illinois;

2. any Employee of the Named Insured while acting within the scope of his duties for or on behalf of the Named Insured;

3. any Elected Official, Employee, Officer, Trustee or Volunteer, past or present, acting for and on behalf of the Named Insured and under its direction and control or appointed by the Named Insured while acting within the scope of their duties as such, and any person, organization, trustee or estate to whom the Named Insured is obligated by virtue of written contract or agreement to provide coverage such as is offered by this Agreement but only in respect of operations by or on behalf of the Named Insured;

Automobile

Scope of Coverage:

The City of Moline wishes to have quotes for vehicle liability as required by Illinois Code.

- Deductible or Self-Insured Retention: \$50,000
- Bodily Injury and/or Property Damage: \$1,000,000 for any one person/\$2,000,000 aggregate per accident
- Uninsured and Underinsured Motorist each accident: \$40,000
- Medical Payments: Excluded
- Physical Damage Coverage: \$25,000 for Hired Physical Damage only subject to a \$500 deductible comprehensive and \$500 deductible collision.
- Catastrophic Physical damage coverage for vehicles licensed for road use while parked at: 3635 – 4th Ave, Moline, IL: \$3,500,000, subject to \$25,000 deductible
- Catastrophic Physical damage coverage for vehicles licensed for road use while parked at 1640-6th Ave., Moline, Il: \$500,000 subject to \$25,000 deductible.
- Physical Damage for Scheduled Vehicles valued over \$100,000 subject to \$2,000 deductible comprehensive and \$5,000 deductible collision coverage. Currently 26 units are identified as being covered. All other vehicles are self-insured for physical damage coverage.
- Garagekeeper's Liability at 1330 River Drive and Parking Ramps located at 16th St and 6th Avenue and 16th St and 4th Ave (Heritage Building Ramp), Moline: \$1,000,000 - \$500 deductible per vehicle with a \$2,500 deductible maximum for comprehensive and a \$500 deductible for each collision loss would apply.

A current list of the number and type of vehicles the City owns is available via e-mail.

Please indicate the effect of the premium when a vehicle is downed/surplused and taken off the policy and the effect of the City adding a vehicle to its fleet.

Property

Scope of Coverage:

The City of Moline would like to receive proposals for its building and contents property insurance policy. Attached is a copy of the current policy. The City is looking for coverage that is equal or **better** than its current policy. Any deviation from the current policy should be **very clearly** stated.

- Blanket building and Contents coverage including furniture, fixtures, equipment, inventory, personal property of others as per schedule available via e-mail: Value \$123,205,774.

- Valuable Papers Coverage: Value \$2,600,000 for books and valuable papers at 3210-41st Street, Moline. (Library valuation endorsement applies) \$500 deductible would apply to each claim on an occurrence basis.
- Fine Arts: Scheduled Fine Arts coverage of \$150,000 and Unscheduled Coverage of \$50,000 with \$500 Deductible.
- Mobile Equipment: Value of \$2,762,999 (schedule attached); \$150,000 Unscheduled equipment, leased, loaned or rented to insured; \$100,000 Miscellaneous unsheduled equipment (items valued at less than \$1,000 deductible) \$5,000 deductible applies per claim.
- Additional Scheduled Equipment to include \$25,000 for employee tools. \$1,000 deductible.
- Recovery in the event of loss would be a Replacement Cost Basis on items 10 years of age and newer for Contractor's Equipment, otherwise on an Actual Cash Value basis. 80% Coinsurance applicable.
- Data Processing: Blanket coverage value \$1,749,466 (schedule attached); \$85,000 media and software coverage, \$50,000 Extra Expense. \$1,000 deductible each occurrence.
- Crime: \$1,000,000 coverage of losses arising out of Employee Theft (Faithful Performance of Duty Endorsement included); \$1,000,000 Forgery or Alteration; \$1,000,000 Computer Fraud; \$25,000 Money and Securities coverages (\$1000 deductible); \$25,000 Money Orders and Counterfeit Paper Currency (\$1000 deductible). \$1,000 Deductible applies unless otherwise noted.
- Equipment Breakdown: Limit per accident \$124,180,774. Repair or Replacement coverage included. Deductible \$25,000. Objects covered: boilers, pressure vessels, refrigeration and air conditioning equipment, mechanical and electrical equipment including production, processing and maintenance equipment.

Provide quotes based on deductibles of:

1. \$15,000
2. \$25,000
3. \$50,000

General Liability

Scope of Coverage:

- General Aggregate Limit (total claims in twelve months): \$2,000,000
- Products/Completed Operations Aggregate Limit: \$2,000,000
- Each event, Bodily Injury or Property Damage Liability for premises, personal injury, advertising injury, operations, products or completed operations. Coverage includes Emergency Medical Technicians (EMTS/Paramedics) and Nurse Professional Liability (1 nurse): \$1,000,000

- Liquor Liability: \$1,000,000 Subject to a \$100,000 self-insured retention
- Legal Liability (Premises Damage): \$100,000
- Premises Medical: excluded
- Employee Benefit Plan Administration errors and/or omissions: \$1,000,000/\$3,000,000 annual aggregate. \$25,000 deductible, claims-made coverage.
- Sewer backup, property damage legal liability (negligent acts only) \$1,000,000
- \$100,000 Self-insured Retention applies to each claim with no aggregate deductible.

Law Enforcement

Scope of Coverage:

Each occurrence Bodily Injury or Property Damage claim \$1,000,000 with \$2,000,000 aggregate for all claims in twelve (12) months due to error, omissions, negligent act or “wrongful act” of the Police Department. \$50,000 Self-insured Retention applies to each loss and loss expense, including legal costs.

Public Officials and Employment Practices Liability

Scope of Coverage:

- Each Occurrence: \$1,000,000/\$2,000,000 Annual Aggregate
- Public Officials Coverage – Self-Insured Retention \$25,000
- Employment Practices Liability – Self-Insured Retention \$100,000

Cyber Liability

Scope of Coverage:

- Limit each wrongful act: \$1,000,000
- Total Limit: \$1,000,000
- Deductible each wrongful act: \$5,000

Claims made coverage subject to a 12/31/08 retroactive date

Additional coverage:

- 1) Crisis Management Service Expenses Coverage
- 2) Security Breach Notification Expenses Coverage
- 3) Terrorism

Umbrella Liability and Excess Liability

Scope of Coverage:

- Blanket Excess Limit of Liability for Premises, Operations, Automobiles, Law Enforcement and Employers' Liability, each occurrence and aggregate annually (excludes EMT/Paramedic and Nurses Professional Liability): \$10,000,000
- Following form Excess Errors and Omissions for Public Officials and Employee Benefits Liability (claims made coverages): \$10,000,000
- Deductible: \$10,000

Workers Compensation

Scope of Coverage:

- All losses except \$750,000 for Jones Act and USL&H claims: \$500,000 Self-insured Retention
- Specific Excess Limit: Statutory
- Employers' Liability Limit: \$1,000,000

Payroll for August 2009 through August 2010 was \$26,972,841. Payroll breakdown by NCCI code is available via e-mail.

Legal Representation

The City utilizes experienced in-house counsel for most of its covered claims. The successful proposal must acknowledge this condition and agree to it. In-house counsel time will not count towards the self-insured retention, although all litigation expenses will. The successful proposer will maintain its authority to retain its own counsel, at its own expense, to work with in-house counsel of the insured.

Proposal Requirements

Please also include:

Firm Qualifications and Experience

Please describe the background and experience of the member from your firm who would be working with the City of Moline. We are particularly interested in the prior experience working with municipal plans and specifically, self-insured plans.

References

Provide the names, titles and phone numbers of five references for the firm member who would be assigned to work for the City.

Please sign and return Appendix A-C with submitted proposal.

Appendix A: Proposal Cover Letter

Letterhead or Bidder's name and address

Date

Amy Valdes
Human Resources Manager
City of Moline
619-16th Street
Moline, IL 61265

Dear Amy:

Subject: Property and Casualty Insurance - Request for Proposal

The enclosed proposal is submitted in response to the above-referenced Request for Proposal. Through submission of this proposal we agree to all of the terms and conditions of the Request for Proposal.

We have carefully read and examined the Request for Proposal and have conducted such other investigations as were prudent and reasonable in preparing the proposal. We agree to be bound by statements and representations made in this proposal and to any agreement resulting from the proposal.

Yours truly,

Signature

Name: _____

Title: _____

Legal name of Bidder: _____

Date: _____

Appendix B: Equal Employment Opportunity Statement

It is the policy of _____ to provide equal employment opportunity to all persons regardless of race, color, religion, sex, national origin, ancestry, age, marital status, disability or other protected class status in accordance with applicable federal and state laws. Accordingly, we will take Affirmative Action to ensure that we will:

Recruit, hire and promote in all job classifications regardless race, color, religion, sex, national origin, ancestry, age, marital status, disability or other protected class status in accordance with applicable federal and state laws.

Make promotional decisions that are in accordance with principles of equal employment opportunity by imposing only valid requirements for promotional opportunities.

Incorporate our equal employment opportunity policy in all personnel actions such as compensations, benefits, transfers, layoffs, returns from layoffs, company sponsored training, education, tuition assistance.

Conduct social and recreational programs sponsored by our agency without regard to race, color, religion, sex, national origin, ancestry, age, marital status, disability or other protected class status in accordance with applicable federal and state laws.

Firm name: _____

Authorized signature: _____

Title: _____

Date: _____

Appendix C: Certification

In compliance with 720 ILCS 5/33E-11 ILLINOIS COMPILED STATUTES, CHAPTER 720, ARTICLE 33E, SECTION 33E-11 the undersigned individual certifies that he or she is not barred from bidding on this contract as a result of a violation of either 720 ILCS 5/33e-3 or 720 ILCS 5/33e-4 bid-rigging or bid-rotating.

INDIVIDUAL:

Signature of Proposer: _____

Business address: _____

Business phone number: _____

SUBSCRIBED AND SWORN to before me on _____
(Date)

Notary Public

PARTNERSHIP:

The undersigned certifies on behalf of the partnership named below that the partnership is not barred from bidding on this contract as a result of a violation of either 720 ILCS 5/33e-3 or 720 ILCS 5/33e-4, proposal-rigging or proposal-rotating.

Further, the undersigned certifies and warrants that he or she is duly authorized to execute this certification on behalf of the partnership and in accordance with the partnership agreement and the laws of the State of Illinois and that this certification is binding upon the partnership and is true and accurate.

Partnership name: _____

Signed by: _____

Business: _____

Business phone number: _____

Insert names and addresses of all partners: _____

SUBSCRIBED AND SWORN to before me on: _____
(Date)

Notary Public

CORPORATION:

The undersigned certifies on behalf of the corporation names below that the corporation is not barred from bidding on this contract due to a violation of either bid-rigging or bid-rotating.

Further, the undersigned certifies and warrants that he or she is duly authorized to execute this certification on behalf of the corporation in accordance with by-laws of the corporation and that this certification is binding upon the corporation and is true and accurate.

Corporate name: _____

Signed by: _____

Title: _____

Business address: _____

Insert names of corporate officers:

President: _____

Secretary: _____

Treasurer: _____

Attest: _____