



**CORPORATION OF THE CITY OF ENDERBY
REQUEST FOR PROPOSAL**

GENERAL PROPERTY AND BOILER INSURANCE PROGRAM

2018

Proposals will be received no later than:

3:00 PM, THURSDAY AUGUST 23, 2018

Addressed to: Jennifer Bellamy
Chief Financial Officer
City of Enderby
PO Box 400 (619 Cliff Ave)
Enderby BC, V0E 1V0

Term: September 23, 2018 to September 22, 2021 (with a potential extension)

TABLE OF CONTENTS

- 1.0 General Terms and Conditions
 - 1.1 Purpose
 - 1.2 Proposal Submissions
 - 1.3 Irrevocable Offer
 - 1.4 Proposal Costs
 - 1.5 Municipal Contact for RFP
 - 1.6 Selection Process
 - 1.7 Rejection of Proposals
 - 1.8 Confidentiality
 - 1.9 Term of Agreement
 - 1.10 Coverage
 - 1.11 Reservation of Right
 - 1.12 Governing Law
 - 1.13 Cancellation
- 2.0 Service Requirements
 - 2.1 Proponent/Brokerage Responsibilities
 - 2.2 Claims Management Services
- 3.0 Coverage Specifications

1.0 GENERAL TERMS AND CONDITIONS

Part 1 of this proposal document sets out a Summary of Requirements and outlines the General Terms and Conditions.

The Corporation of the City of Enderby shall hereby be referred to as the "City" throughout this document.

1.1 Purpose

The City is in the process of selecting an Insurer/Broker to provide insurance management services in the areas contained within this Request for Proposal.

Through this Request for Proposal, the City seeks to:

- Specify the terms and conditions that would govern any resulting policy; and
- Select the successful proponent, if any.

This Request for Proposal states the instructions for submitting proposals and the procedures and criteria by which the successful proponent will be selected.

1.2 Proposal Submissions

Any change notices, appendices and addenda issued for this Request for Proposal shall be considered part of this proposal document. Change notices, appendices and addendums will be available at the City of Enderby municipal office and on its website www.cityofenderby.com. It is the responsibility of the proponent to ensure all are downloaded, reviewed and included in their bid.

Proposals are to be submitted in a sealed envelope clearly marked with the proposal name, on or before the closing date and time, to the attention of:

Name	Jennifer Bellamy
Title	Chief Financial Officer
Address	619 Cliff Ave (PO Box 400), Enderby BC, V0E 1V0
Telephone	250 838-7230
Email address	jbellamy@cityofenderby.com

Proposals may be emailed to jbellamy@cityofenderby.com. Receipt of submission will be the time/date noted in the email inbox.

Proposals shall not be accepted after the closing date and time. Proponents may not make modifications to their Proposals after the closing date and time.

All proposals shall become the property of the City.

It is the responsibility of each proponent to submit all required documents as outlined in this Request for Proposal.

All proposals must be received by no later than **3:00PM, THURSDAY AUGUST 23, 2018.**

1.3 Irrevocable Offer

The proponent hereby acknowledges that offers contained within its response to this Request for Proposal shall remain open for acceptance by the City for a period of not less than thirty (30) days from the closing date of this Request for Proposal following the closing date and time specified in Section 1.2.

1.4 Proposal Costs

The City is not liable for any costs incurred by Brokers or Insurers in preparing responses to this Request for Proposal or for any work performed prior to official appointment by the City.

1.5 City Contact for Request for Proposal

It shall be the proponent's responsibility to clarify any points in question in writing with the City prior to submitting the proposal. Responses to inquiries will be forwarded to all known proponents. Inquiries should be directed to:

Name	Jennifer Bellamy
Title	Chief Financial Officer
Address	619 Cliff Ave (PO Box 400), Enderby BC, V0E 1V0
Telephone	250 838-7230
Email address	jbellamy@cityofenderby.com

If a proponent discovers any inconsistency, discrepancy, ambiguity, error, or omission in this Request for Proposal, it must notify the City immediately in writing.

Any revision to this Request for Proposal will be issued as an addendum to all proponents.

Please contact Jennifer Bellamy for a copy of the Schedule A Property Values.

1.6 Selection Process

The City will not necessarily accept the lowest price or any proposal. Any implication that the lowest price or any proposal will be accepted is hereby expressly negated.

Selection

The proposal selected will be based upon evaluation criteria developed by the City which in its sole discretion will determine the manner in which each response to this Request for Proposal meets the evaluation criteria.

Evaluation Criteria

Each response to this Request for Proposal will be evaluated by the City to determine the degree to which it responds to the requirements as set out. Because this is a Request for Proposal, other factors in addition to price will be considered when submissions are evaluated. Factors to be considered will include, but not necessarily be limited to:

1. Proposal
 - a. Responsiveness to the Request for Proposal requirements as outlined in Section 2.0 and 3.0.
2. Qualifications & References
 - a. Please provide a list of current municipal clients of similar size, exposures and scope of operations to the City, along with three (3) references including contact names, addresses and phone numbers.
3. Price - premium for September 23, 2018 to September 22, 2019 for the three policies outlined:
 - a. Crime Insurance
 - b. Property Insurance
 - c. Boiler and Machinery Insurance

1.7 Rejection of Proposals

The City reserves the right to reject any and/or all proposals received. The City is not under any obligation to award a contract, and reserves the right to terminate the Request for Proposal at any time for any reason, and to withdraw from discussions with all or any of the proponents who have responded. The receipt of a proposal does not constitute acceptance of any proposal.

1.8 Confidentiality

The City and the proponent agree that the content of each response to this Request for Proposal will be held in the strictest confidence, and details of any response will not be discussed with any other party. By submitting a response to this Request for Proposal, each proponent, broker and insurer agrees not to disclose at any time. Only information subject to the *Freedom of Information and Protection of Privacy Act* may be disclosed. The Municipalities agrees to notify the proponent should a request for information be received.

1.9 Term of Agreement

The successful proponent will provide services to and arrange insurance for the City for the upcoming policy term, from September 23, 2018 to September 22, 2021.

Subject to the satisfactory performance of the services by the successful firm, the term may be extended, if mutually agreeable for up to additional two (2) year term.

1.10 Coverage

Details of the required coverage and deductibles are set out in the Coverage Specifications Section. The following highlights some of the key requirements:

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 City 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".

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 City.

Coverages: At any time of this Agreement the City 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 coverages exceed those set out in the "Coverage Requirements", proponents must include a separate Recommendations section to their submission outlining enhancements and costs associated.

1.11 Reservation of Right

Proponents will not have the right to change conditions, terms or prices of the proposal once the proposal has been submitted in writing to the City, nor shall proponents have the right to withdraw a proposal once it has been submitted.

The lowest or any proposal will not necessarily be accepted.

1.12 Governing Law

Any contract resulting from this Request for Proposal shall be governed by and interpreted in accordance with the laws of the Province of British Columbia.

1.13 Cancellation

All insurance policies shall require a seventy-five (75) day written notice of cancellation by the Insurer, unless otherwise noted and agreed to by the Insured.

2.0 SERVICE REQUIREMENTS

Please provide responses to the following in the order presented.

2.1 Proponent/Brokerage Responsibilities

Brokers and Insurers must provide evidence of long-term strength and viability, flexibility to react to the changing insurance needs of the City, but have the ability to anticipate the needs of the City and respond with innovative solutions. Brokers must have access to appropriate insurance markets.

Brokers and insurers must provide evidence of municipal experience including your familiarity with operations and associated risks as well as demonstrated comprehensive knowledge of legislation governing municipal operations.

Outline the Account Management team you propose to assemble to service the needs of the City including the qualifications and functions of each team member. Include the locations of the proposed servicing office and methods by which the City will be able to interact with the proposed servicing office.

2.2 Claims Management Services

Please describe in detail how claims for the Municipalities will be handled. Provide an overview of the Claims Management Program that your organization would use. Outline the claim/incident reporting procedure(s) that would be implemented to standardize this process in a multi-site operation.

Discuss the use of adjusters, legal representatives, investigation and settlements.

3.0 **COVERAGE SPECIFICATIONS**

Coverage requirements for policies are outlined on the following pages:

- Crime Insurance
- Property Insurance - **Please contact Jennifer Bellamy for the Schedule A property values**
- Boiler and Machinery Insurance

CRIME INSURANCE

1. NAMED INSURED:

Corporation of the City of Enderby

2. DESCRIPTION:

Provides protection to the City for the loss of money, securities and other property through the fraudulent or dishonest acts of employees and others.

3. LIMITS OF PROTECTION:

Commercial Blanket Bond Package	\$ 500,000
Counterfeit Paper	Included to Bond Limit
Depositors' Forgery	Included to Bond Limit
Audit Expense (Sub-limit \$200,000)	Included
Money and Securities – Blanket any Location	\$ 200,000
Computer Fraud or Funds Transfer Fraud	\$ 200,000

4. DEDUCTIBLE:

On All Cover – NIL.

5. POLICY COVERAGE AND CONDITIONS:

- Coverage to be provided on a Commercial Blanket Bond package, and may include:
 - Employee dishonesty
 - Loss of money and securities
 - Depositors forgery
- Audit expense coverage to be in addition to overall bond limit, subject to maximum amount specified
- Employee is extended to include all persons holding positions in the municipalities' service that are not compensated, and includes members of Council, members of all Boards, Commissions and Committees appointed by and under Council's jurisdiction.
- Definition of "messenger" is extended to include persons not compensated
- None of the cover is to include a deductible nor a minimum loss wording

6. ATTACH COPY OF PROPOSED POLICY.

7. LIST EXCLUSIONS.

PROPERTY INSURANCE

1. NAMED INSURED:

Corporation of the City of Enderby

2. DESCRIPTION:

Insures City buildings, contents and equipment or other property for which the municipality is legally liable or has agreed in advance to insure, for damage caused by "All Risks" of direct physical loss or damage.

3. LIMITS OF INSURANCE:

Total Sum Insured (schedule "A")	\$ 38,554,100
Valuable Papers	\$ 500,000
Accounts Receivable	\$ 500,000
Extra Expense	\$ 500,000
Media	\$ 500,000

Business Interruption:

Rent or Rental Value Form	\$ 500,000
Gross Revenue Form	\$ 100,000

4. DEDUCTIBLE (LIST EXCEPTIONS)

\$ 5,000

5. POLICY COVERAGE AND CONDITIONS:

- Broad Definition of property insured
- No co-insurance clause
- Replacement cost coverage provided
- Replacement on same site not required
- No restriction on property in transit and coverage is provided to policy limit
- Newly acquired property is automatically included with no limit other than the policy limit
- Sewer back-up coverage included
- By-law coverage included to the policy limit
- Permission is granted: to make additions, alternations and repairs; for property to remain vacant or unoccupied; to keep and use materials as usual and necessary to the Insured's business.
- Debris removal (including Environmental/Pollution Clean-up) included to policy limit

6. ATTACH COPY OF PROPOSED POLICY.

7. LIST EXCLUSIONS.

BOILER AND MACHINERY INSURANCE

1. NAMED INSURED:

Corporation of the City of Enderby

2. DESCRIPTION:

Objects Insured.

"A" Any boiler, any fired vessel, any metal unrefined vessel subject to a vacuum or internal pressure, other than static pressure of contents, any refrigerating system, or any piping and its accessory equipment and including any boiler or pressure vessel mounted on mobile equipment.

"B" Any mechanical or electrical machine or electrical apparatus used for the generation, transmission or utilization of mechanical or electrical power. This includes transformers, bus structure, miscellaneous electrical apparatus, motors, compressors, pumps, air conditioning units, etc. as well as communication equipment.

3. LIMITS PER ACCIDENT – COMPREHENSIVE \$ 50,000,000

Special Extensions to Be Included:

Extra Expense	\$ 500,000
Water Damage	500,000
Ammonia Contamination	500,000
Expediting Expenses	Included
Hazardous Substance	500,000
Loss of Arena/Curling Club Revenues:	
– Daily Indemnity	1,000
– Total Limit of Loss	90,000
Spoilage	50,000
Professional Fees	500,000
Data Restoration	50,000
By-Law Cover	Included
Errors and Omissions	100,000
Denial of Access	30 Days

4. DEDUCTIBLE: Per Loss \$ 5,000

5. POLICY COVERAGE AND CONDITIONS:

- Comprehensive Blanket coverage provided
- Settlement is based on repair or replacement costs (no depreciation factor)
- Broad definition of Accident applies
- New locations and newly installed objects are automatically included
- Errors and Omissions
- Denial of Access
- One deductible applies should there be a loss involving both the boiler and machinery and property insurance policies

6. LOCATIONS: All locations owned by the insured.

7. ATTACH COPY OF PROPOSED POLICY.