

To:	Warden Hicks and Members of Grey County Council
Committee Date:	November 28, 2019
Subject / Report No:	FR-CW-28-19
Title:	Award of RFP-CS-06-19 General Insurance and Risk Management Services Program
Prepared by:	Kevin Wepler, Director of Corporate Services Mike Alguire, Purchasing and Materials Manager
Reviewed by:	Kim Wingrove, CAO
Lower Tier(s) Affected:	
Status:	Recommendation adopted by Committee as presented per Resolution CW220-19; Endorsed by County Council December 12, 2019 per Resolution CC08-20;

Recommendation

1. That Report FR-CW-28-19 containing a summary of the results of RFP-CS-06-19 be received; and
2. That Marsh Canada Limited be selected as the County's insurance provider at a cost of \$806,294, excluding taxes for the period of January 1, 2020 to January 1, 2021.

Executive Summary

The County requires a comprehensive integrated program of insurance coverage and risk management. It had been several years since the County went to market for this service. RFP-CS-06-19 was issued in order to give opportunity to providers to submit their proposals for insurance and risk management coverage.

Background and Discussion

With assistance from the consulting services of Somerset Insurance Consulting, RFP-CS-06-19 was posted on the Grey County purchasing portal on October 18, 2019 until November 12, 2019. The evaluation criteria, as guided by Somerset, included the following criteria:

Evaluation Criteria	Weighting
Product <ul style="list-style-type: none"> • Meeting the RFP Specifications • Scope of Coverage offered • Enhancements and Value-Added Services 	40
Services <ul style="list-style-type: none"> • Insurance Administration • Claims Management • Other, including optional. 	5
Relevant experience and qualifications: Must provide names and resumes of the lead project manager, and identify key team members for all phases having direct involvement with this project; <ul style="list-style-type: none"> • Respondent's Experience • Respondent's Team Expertise • Financial Stability of Insurers 	5
Cost <ul style="list-style-type: none"> • Annual Cost • Added Value • Respondents shall identify and include any costs believed not to be covered in this RFP but considered necessary for completion of the assignment. 	50
Total	100

Submissions were received from the following companies: Frank Cowan Company, BFL CANADA Risk and Insurance Services Inc., and Marsh Canada Limited. After careful review of each proposal and scores accumulated against the stated criteria, the recommendation from the consultant and staff is to award this project to Marsh Canada Limited for a period of one year. This contract may be extended annually for a period not to exceed 5 years. Yearly extensions will only take place if mutually agreed upon terms can be achieved on an annual basis.

All proposals are recognized as credible providers of municipal insurance programs in Canada and all have significant portfolios of municipal clients and all are providing insurance covers with 'A' rated licensed Canadian insurers.

The submissions received responded to the coverage requirements for policies in the following areas:

- Municipal Liability Insurance
- Property Insurance
- Equipment Breakdown
- Non-Owned Automobile Insurance
- Garage Automobile Insurance
- Errors and Omissions Liability Insurance
- Municipal Conflict of Interest Insurance
- Legal Expense Insurance
- Environmental Liability Insurance
- Crime Insurance
- Automobile Fleet Insurance
- Councillors' Accident Insurance
- Cyber Risk Insurance
- Volunteers' Accident Insurance
- Unmanned Aerial Vehicle Insurance

Based on the review of the proposals by Somerset Insurance Consulting, who considered features, options and limitations of the proposed insurances, and the policy wordings contained within each proposal, it is being recommended that Marsh Canada Limited be selected as the County's Insurance provider for the period of January 1, 2020 to January 1, 2021.

Legal and Legislated Requirements

None

Financial and Resource Implications

The 2019 budget estimated a premium of \$1,218,300 for general insurance and risk management services. The recommended proposal from Marsh Canada will reduce the 2020 budget expenditure to \$870,000 including taxes.

Relevant Consultation

- Internal (list) Purchasing Manager and Director of Corporate Services
- External (list) Stephen J. White, Somerset Insurance Consulting

Appendices and Attachments

None