

TOWN OF NEWINGTON
REQUEST FOR PROPOSALS

The Town of Newington will accept proposals for professional services from those firms interested in serving as the Town's Liability Insurance Agent of Record. All proposals must be submitted in accordance with Town specifications. Specifications and any addenda issued are available in the Town Manager's Office and on the Town's website, www.newingtonct.gov under Doing Business, Bid Opportunities. All firms wishing to be considered for this appointment shall submit nine (9) copies of their concisely worded proposal. Submittals shall be clearly marked "RFP No. 3, 2014-15, Liability Insurance Agent of Record," and submitted to the Town Manager's Office, Town of Newington, 131 Cedar Street, Newington, CT 06111 by 2:30 pm on March 18, 2015. The Town reserves the right to reject any or all proposals.

John L. Salomone
Town Manager

RFP No. 3, 2014-15

TOWN OF NEWINGTON

REQUEST FOR PROPOSALS

LIABILITY INSURANCE AGENT OF RECORD

GENERAL INFORMATION

The Town of Newington, Connecticut, is a suburban community with a population of just under 30,000 residents. It has a total combined premium for property, liability, and workers compensation coverage (for both the General Government and Board of Education) of approximately \$1,245,450 for the 2014-15 budget year. The Town is currently insured by the Connecticut Interlocal Risk Management Agency (CIRMA) and intends to remain with CIRMA for workers compensation, automobile, general liability, property and umbrella coverage for 2015-16. The Town may be seeking competitive pricing for all insurance coverage that will be in place effective July 1, 2016. This request for proposals is to obtain a licensed insurance agent to place this insurance and to serve as the Town's Insurance Agent of Record.

SERVICES SOUGHT

- Evaluate existing insurance contracts, claims history and make written recommendations concerning any changes, modification, consolidations or additions to existing coverage necessary to protect the interests of the Town.
- To solicit and negotiate with at least four (4) insurance companies for a program to provide the specific insurance coverage for the Town of Newington, based upon specifications prepared by the Town of Newington Standing Insurance Committee.
- To disclose all price quotes received to the Standing Insurance Committee and to state in writing why a particular insurer is being recommended.
- To place the Town's insurance coverage with the carriers and for the products as directed by the Town in a timely manner to ensure there is no lapse in coverage.
- To purchase all of the Town's coverage ex-commission.
- Identify programs, products and insurers capable of meeting the Town's insurance needs and prepare bid specifications capable of properly quoting insurance renewals.
- Act as an advisor to the Town for any specialty insurance coverage that may be outside the normal market of the selected broker
- Present to the Town in a clear and understandable format, a written evaluation of the results from each insurance quotation submitted in addition to a comprehensive financial analysis and recommendation for selection of an insurer for each type of risk.
- Design alternative approaches utilizing retention, amount subject to coverage, probable maximum loss based on loss history and potential, market availability, and cost effectiveness

- Provide timely answers to Town staff, as necessary, responses to coverage or claims questions from underwriters or adjustors, and feedback regarding insurance requirements in contracts or other documents.
- To assist the Town Manager's Office and the Standing Insurance Committee in monitoring and processing all insurance claims.
- To assist and oversee loss control activities by the Town's insurer and to assist the Town in the implementation of loss control recommendations with technical advice.
- To attend all Standing Insurance Committee meetings, provide an annual stewardship report and additional periodic reports on loss control, budgetary estimates, loss levels, claims analysis, and any other insurance related topics as requested by the Standing Insurance Committee.
- To assign a specific employee or team of employees to provide technical assistance in a timely manner to the Town Manager and Superintendent of Schools as requested.
- To make certain that the proper insurance carriers are notified of claims in a timely manner after notice has been received by the Town.
- To verify that all retrospective and any other pertinent calculations are correct as provided by the insurer.
- To require that the workers compensation insurer conducts (or retain an actuarial firm to conduct) an annual actuarial review, including open loss sensitive rating plans from prior years and projections for the current and upcoming policy year that are or will be subject to loss sensitive rating plans, using a 75% confidence level.
- To review periodically (twice a year, and without fail not less than annually) the reserve levels on workers compensation, auto liability and general liability claims, and to aggressively pursue with the insurance carrier the reduction or closure of reserves, where appropriate, on the Town's behalf.
- To review and report periodically on the status of all claims that have reserves in excess of \$10,000.00 and/or that have remained open for more than six months.
- To review invoices from the insurance carrier(s), and to work with the carrier in order to invoice both the Town Manager's Office and the Board of Education separately, in accordance with pre-established percentages provided by the Town.
- To assist Town staff in correcting or rectifying problems with payments/invoices.

SELECTION PROCESS

Proposals will be reviewed and finalists will be invited for an interview before the Standing Insurance Committee. The Town Council, upon recommendation by the Standing Insurance Committee, will appoint the Agent of Record. The Town's current Agent of Record will continue to handle the Town's present insurance package through June 30, 2015. The new appointment shall last through June 30, 2018, unless subject to termination as described below.

All agents or brokers wishing to be considered for this appointment must submit written, concise replies based on these criteria by 2:30 pm, March 18, 2015, to the office of the Town Manager, Town Hall, 131 Cedar Street, Newington, CT 06111. Nine (9) complete copies are to be submitted. Each copy of the response should be clearly marked "RFP No. 3, 2014-15, Liability Insurance Agent of Record."

The Standing Insurance Committee may recommend to the Town Council the termination of the Agent of Record if, in the opinion of the majority of the Committee, the Agent of Record fails to perform the functions as outlined in the “Services Sought” section of this RFP.

Upon termination of such Agent of Record by the Town Council, a new Agent of Record shall be appointed.

All respondents are requested to complete and return the following questionnaire with their proposal submittal package.

QUESTIONNAIRE

1. Is your firm licensed in the State of Connecticut?
 Yes No

2. Has your firm ever been suspended, warned or fined by the Connecticut Insurance Department?
 Yes No

- 2a. Is your firm currently involved in litigation or been involved in litigation during the past three years for omissions, negligence, or malfeasance?
 Yes No

3. Is your firm currently in arrears on payments to any company?
 Yes No

4. Does your firm have one or more qualified person who would handle the Town of Newington account?
 - a. With a minimum of ten (10) years experience in commercial lines, or
 - b. Having a CPCU or ARM designation?
 Yes No

5. Do you carry Insurance Agents Errors & Omissions coverage with a limit of at least \$5,000,000? (A certificate of insurance will be required if appointed)
 Yes No

6. Have you placed within the last four years coverage for at least one account in the State of Connecticut with premiums of \$ 500,000 or more?
 Yes No

Please describe type of account and coverage involved:

7. Do you now or have you ever placed insurance coverage for a political subdivision in the State of Connecticut? (Municipality, school system, public authority, etc.)

_____Yes _____No

Please identify the entity and coverage(s) placed:

8. If appointed Agent of Record, will you prepare an annual stewardship report detailing your activities on behalf of the Town, the Town's premium and loss results and include your observations and recommendations for changes in the market, coverage and other factors affecting the Town's insurance program?

_____Yes _____No

9. List three references from current accounts: Names, titles and telephone numbers.

a) _____

b) _____

c) _____

10. Do you have an affirmative action plan in place?

_____Yes _____No

11. a) List below those companies you would approach for the workers compensation, general liability, automobile and property coverage and your annual premium commercial lines premium volume with each company.

COMPANY

PREMIUM VOLUME

b) List below those companies you would approach for the umbrella liability and professional liability, and your annual premium volume with each company.

COMPANY

PREMIUM VOLUME

12. Do you understand that this appointment, if made, will be for a period of three (3) years, subject to satisfactory performance as determined by the Town?

_____Yes _____No

13. Will your company perform the services contained in the "Services Sought" section of this RFP? If not, identify the services you will not provide.

_____Yes _____No

Please expand on any reply by attachment hereto and include any other information you feel will be pertinent for consideration on your appointment as Agent of Record.

COMPENSATION SCHEDULE

The Town shall consider appointments only on a fee basis. All group policies shall be issued ex-commission. The annual combined insurance premium for 2014-15 is approximately \$ 1,245,450.

Please set forth your annual fees for the following periods:

2015-2016 \$ _____

2016-2017 \$ _____

2017-2018 \$ _____

Do you agree that your fee schedule shown above applies to all coverage and services provided by your firm, including any subsidiary, affiliated or allied firms?

_____ Yes _____ No

TOWN OF NEWINGTON
LIABILITY AGENT OF RECORD

John Salomone, Town Manager
Town of Newington
131 Cedar Street
Newington, CT 06111

Dear Mr. Salomone:

The agency whose name and address is designated below, hereby submits nine (9) copies of the "Criteria for Selection" for your consideration of our firm for appointment as Liability Agent of Record on behalf of the Town of Newington.

This submission is made and we represent that there is no conflict of interest with respect to our firm and the Town and that no person or representative of the Town of Newington has been involved with nor been offered any inducement with respect to this submission.

Very truly yours,

_____ Signature of Principal, Partner, Officer

_____ Name of Principal, Partner or Officer

_____ Agency Name

_____ Address

_____ Telephone number

_____ Date