

CITY OF EL PASO, TEXAS
AGENDA ITEM
DEPARTMENT HEAD'S SUMMARY FORM

DEPARTMENT: Human Resource/Risk Management

AGENDA DATE: December 30, 2014

CONTACT PERSON(S) NAME(S) Linda Ball Thomas, Human Resources Director, 212-1240
AND PHONE NUMBER(S): Irene Y. Morales, Human Resources Deputy Director, 212-1270
Bruce D. Collins, Purchasing Director, 212-1181

DISTRICT(S) AFFECTED: All

SUBJECT:

Approve the award for Property, Boiler & Machinery Insurance to Affiliated FM Insurance (Affiliated) through USI for an initial contract period of January 3, 2015 through January 2, 2018 with a two (2) year extension with an estimated three year cost of \$1,554,510.00 and a \$250,000/occurrence deductible.

BACKGROUND / DISCUSSION:

Request for Proposal #2015-355R was released seeking proposals for Property, Boiler and Machinery insurance. Two proposals were received. Texas Municipal League Intergovernmental Risk Pool (TML) and Affiliated FM Insurance Company through USI submitted proposals. Hub International, Inc. assisted the City with the evaluation of the proposals. The evaluation criteria and weight of each is attached. The evaluation committee is recommending Affiliated FM Insurance Company (Affiliated) through USI Southwest, Inc. as the highest rank proposer.

Both bidders are guaranteeing the rate for the first year of the contract. The premium will increase or decrease depending on the total statement of values submitted by the City at the time of renewal. Affiliated submitted a proposal with a \$750M total property limit for \$518,170.00 (\$.69/\$1000); TML submitted a proposal with a \$600M total property limit for \$455,636.00 (\$.76/\$1000).

SELECTION SUMMARY:

This solicitation was advertised on October 14, 2014 and opened on November 5, 2014. The solicitation was posted on the city website on October 14, 2014. Post cards and purmail were sent the week of October 14, 2014. At total of three (3) vendors were solicited with two (2) being local. Two (2) proposals were received with one (1) being a local vendor.

PRIOR COUNCIL ACTION:

Council extended the contract with the current provider in January 2014 for one year through January 2, 2015. Council awarded the property insurance coverage to the current carrier, Great American Insurance Company in 2006.

AMOUNT AND SOURCE OF FUNDING:

Non-departmental, 544090-999-1000-99999.

BOARD / COMMISSION ACTION: NA

DEPARTMENT HEAD:

Linda Ball Thomas, Human Resources Director

**COUNCIL PROJECT FORM
(REQUEST FOR PROPOSAL)**

*******POSTING LANGUAGE BELOW*******

Please Place the following item on the **REGULAR** agenda for the Council Meet of **DECEMBER 30, 2014.**

Discussion and action on the award of Solicitation No. 2015-355R Property Insurance for an initial three (3) year term in the estimated amount of \$1,554,510.00. The award is to include a two (2) year optional amount of \$1,036,340.00 for a total five (5) year award of \$2,590,850.00. Initial contract period will begin January 3, 2015 through January 2, 2018.

Department:	Human Resources
Award to:	USI Southwest, Inc. El Paso, TX
Item(s):	All
Initial Term:	3 Years
Option to Extend:	2 Years
Annual Estimated Award:	\$518,170.00
Initial Term Estimated Award:	\$1,554,510.00 (3 Years)
Total Estimated Award:	\$2,590,850.00 (5 Years)
Account No.:	999 – 99999 – 1000 – 544090
Funding Source:	Non-departmental – Property Insurance Expense
District(s):	All

This is a RFP contract.

The Purchasing & Strategic Sourcing Department and Human Resources recommends award as indicated to USI Southwest the highest rank proposer. In accordance with this award the City Manager or designee is authorized to exercise future options if needed.

*******ADDITIONAL INFO BELOW*******

Committee Score Sheet
RFP : 2015-355R Property Insurance

Evaluation Factors	Maximum Amount of Points	Texas Municipal League Intergovernmental Risk Pool	USI Southwest Inc
		Austin, Texas	El Paso, Texas
<u>Evaluation Factor A</u> Coverage Type	35	21.67	35
<u>Evaluation Factor B</u> Fee Proposal	25	22.00	25
<u>Evaluation Factor C</u> Experience	20	12.33	20.00
<u>Evaluation Factor D</u> Loss Control Services and Additional Fees	10	2.33	10.00
<u>Evaluation Factor E</u> Claims Adjusting Services	10	2.33	10.00
Totals	100 Points	60.67	100.00



CITY OF EL PASO REQUEST FOR PROPOSAL TABULATION FORM



Bid Opening Date: NOVEMBER 5, 2014
Project Name: PROPERTY INSURANCE

Solicitation #: 2015-355R
Department: HUMAN RESOURCES

TEXAS MUNICIPAL LEAGUE INTERGOVERNMENTAL RISK POOL	AUSTIN, TX
USI SOUTHWEST, INC.	EL PASO, TX
RFPs SOLICITED: 3 LOCAL RFPs SOLICITED: 2 RFPs RECEIVED: 2 LOCAL RFPs RECEIVED: 1 NO BIDS: 0	

NOTE: The information contained in this RFP tabulation is for information only and does not constitute actual award/execution of contract.

APPROVED: /s/

DATE: 11/6/2014

USI Southwest
2505 E. Missouri Ave
El Paso Texsa 79903

Alliant Insurance Service Inc.
1301 Dove Street
Suite 200
New Beach, CA 922660

HUB International
201 E. Main Dr Ste 800
El Paso Texas 79901