

THE CORPORATION OF THE MUNICIPALITY OF MEAFORD

CORPORATE SERVICES

REQUEST FOR PROPOSAL

**INSURANCE BROKER & RISK MANAGEMENT
SERVICES FOR UP TO FIVE YEARS**

Procurement No: FS 01-10

Closing Date: Thursday, July 29, 2010

Closing Time: 2:00 pm local time

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SPECIAL INSTRUCTIONS FOR BIDDING AND PROPOSING

1.1.0 DEFINITIONS

Throughout this Request for Proposal, the following terms shall have the following meanings:

“Bid”, “bid”, “Proposal” or “proposal” means a Bidder’s response to the RFP;

“Bidder” or “bidder” means a person, firm or corporation that submits an offer to the Municipality to render the Services;

“Municipality” means The Corporation of the Municipality of Meaford and is referred to as the ‘end user’ and/or owner;

“Contract” means an agreement, if any, resulting from this RFP between the Consultant and the Municipality consisting of: the Professional Services Agreement, the Statement of Work, Price Schedules as submitted as part of the Consultant’s bid, the Municipality’s Health and Safety Guidelines for Bidders, any correspondence between the Municipality and the Consultant after close of the RFP, the Municipality’s numbered purchase order and any subsequent Municipality change orders;

“Contract Manager” means the Municipal person, or designate, who has overall responsibility for monitoring performance of the Contract, approving deliverables, and acting as first response to all disputes;

“Consultant” means the successful Bidder that is awarded the Contract to perform the Services;

“Consultant Personnel” means the Consultant’s directors, officers, employees, agents, and any other persons pre-approved in writing by the Municipality that the Consultant involves in the provision of the Services;

“PSA” means the Professional Services Agreement that the Consultant will be required to enter into with the Municipality;

“RFP” means this Request for Proposal;

“Services” means all work and deliverables to be provided by the Consultant, in accordance with the Scope of Work;

“Scope of Work” means the document entitled CONTRACT REQUIREMENTS AND SCOPE OF WORK included in this RFP.

1.2.0 INTERPRETATION

Throughout this RFP, the following shall apply:

- Words importing gender shall include the masculine, feminine and neuter genders;

- Words importing the singular numbers shall include the plural and vice versa;
- Words importing persons shall include individuals, partnerships, associations, trusts, municipal corporations, unincorporated organizations and corporations and vice versa;
- A reference to any statute is to that statute as now enacted or as the same may from time to time be amended, re-enacted or replaced and includes any regulations made under that statute.

1.3.0 INTRODUCTION

1.3.1 Introduction

The Municipality of Meaford (“the Municipality”) acquires various types of insurance as appropriate for a municipality with the aid of a qualified insurance broker firm. The Municipality’s current contracts for brokerage services and also the various insurance coverages will expire in July of 2010. The insurance programs are arranged on an annual basis and, the broker contract is expected to go from July 1st, 2010 to December 31st, 2012 plus up to two (2) additional one year terms ending December 31st, 2014.

Respondents to this Request For Proposal (RFP) must submit compliant proposals, be qualified in accordance with the requirements specified herein and must demonstrate a clear understanding of the Municipality’s needs to be considered.

The successful Bidder, if any, will be responsible for securing the Municipality’s insurance, which includes, but is not limited to the following types of coverage:

- property,
- municipal liability,
- professional liability,
- automobile liability and physical damage
- environmental,
- crime, and
- construction
- insurance for the Municipality’s Affiliates and facility users,
- construction projects, and
- events

The successful Bidder’s responsibility will also include day to day servicing of the insurance programs, involvement in Municipality staff training/seminars and other risk management services.

The Municipality is seeking a best value proposal and will consider the bidder attributes, quantity and quality of the services offered as well as price.

1.3.2 Purpose

The Municipality hereby requests proposals from qualified bidders for the provision of independent insurance broker services for roughly a two and a half year term with the option, exercisable by the Municipality, to extend the agreement on the same terms and conditions for up to two additional periods of one (1) year each, subject to mutual agreement of both parties on price, and provided the best interests of the Municipality will be served by doing so. The successful bidder (if not the incumbent), shall be fully responsible for migrating the service from the incumbent broker and shall ensure a seamless transition with minimal disruption in service to the Municipality.

1.3.3 Administration of this RFP

The Municipality's Financial Services section is administering this RFP and the selection process on behalf of the Risk Management Section of the Municipality's Corporate Services Department. The contact persons for this RFP are:

Director of Corporate Services: David Kennedy, C.A
Phone: 519-538-1060, ext. 1118
Fax: 519-538-5599
E-mail: dkennedy@meaford.ca

Deputy Treasurer: Michael Humble, C.G.A.
Phone: 519-538-1060, ext. 1111
Fax: 519-538-5599
E-mail: mhumble@meaford.ca

Any questions or comments must be directed to these individuals, who will, if necessary, re-direct any technical inquiries to the appropriate Municipal staff member. Any contact made to any other Municipal employee or official is contrary to the Municipality's Purchasing By-law and may result in the disqualification of the Bidder.

1.4.0 PROCUREMENT PROCESS

1.4.1 The RFP Document

This RFP consists of all documents listed in the Table of Contents. Bidders are advised to review the complete RFP package, including all exhibits, schedules and appendices as these contain important information. Bidders are responsible for ensuring they have complete information and that they understand what is expected of them if they wish to participate in this RFP.

Bidders may submit questions about this RFP to the Buyer up until 4 days from bid closing.

1.4.2 Registration

To receive documents and to have their proposals considered, all Bidders must register with the Municipality's Materiel Management division through Biddingo at: www.biddingo.com

1.4.3 Estimated Process Time Lines

| | |
|---|--------------------|
| Issue Request For Proposals | July 24, 2010 |
| Final date to submit questions | July 23, 2010 |
| RFP closes/ final date for submission | July 29 2010 |
| Evaluation and selection / Possible Interviews | August 13, 2010 |
| Final negotiations and recommendation to award contract | August 20, 2010 |
| Notice of Award | August 27, 2010 |
| Contract execution & start date | September 01, 2010 |

1.5.0 BIDDER SUBMISSION INSTRUCTIONS

1.5.1 Submission & Closing Date

Bidders should submit 1 original (paper) plus 3 photo copies of their complete Proposal, in a sealed container clearly marked with the Municipality's Procurement Number and addressed to:

Director, Corporate Services Department, The Corporation of the Municipality of Meaford, 21 Trowbridge Street West, Meaford ON N4L 1A1.

**Proposals must be submitted by:
2:00 pm Eastern Standard time, July 29, 2010.**

Bidders assume full responsibility for the delivery and time-stamping of the completed proposal in the Clerks offices at the above address. The Municipality accepts no responsibility for any loss or delay with respect to proposals that are delivered to any location other than that specified above.

1.5.2 Response Format

Bidders are to prepare and submit a comprehensive proposal including the components listed below. When preparing their proposals, bidders are to follow any instructions provided in the Schedules. Where a form is provided in this RFP for a particular component of the bidder's proposal, that form is to be used or one that incorporates all the information the Municipality's form calls for.

- 1) INTRODUCTORY LETTER - Provide an overview of the company and the offer being submitted.
- 2) SCHEDULE 1 - FORM OF OFFER
- 3) SCHEDULE 2 - PRICE SCHEDULE
- 4) SCHEDULE 3 - SERVICES PROPOSAL – Prepare and attach your services proposal including the following information:

- a) Basic Information - Provide company profile and background information including address information (if not centralized, location of offices and the respective insurance line broker specialists within those offices), and details for any proposed sub-contractors. Also provide information on relevant corporate policies such as Code of Conduct, Ethics and staff training programs.
 - b) Company Qualifications - Provide information on Company qualifications, experience, facilities, financial strength, reputation and resources.
 - c) Statement of Understanding - Describe your knowledge of the municipal environment and challenges and in particular, those of the Municipality.
 - d) Insurance Markets Strengths - Provide information on your ability, knowledge and skills related to securing Markets and Underwriters appropriate and desirable to the Municipality. Describe your access to the market place, number of insurers (domestic and international) and any pre-arranged municipal programs.
 - e) Staff Qualifications - Provide an organization chart, resumes and any appropriate information that will describe the skills and knowledge of the Account Manager and other staff who would be assigned to the Municipality's account. Include contact information.
 - f) Services Proposal - Provide information on your quality and types of consulting and administrative services and include details on response times and standards for performance.
 - g) References - Provide a summary of comparable work in terms of scope and complexity that was successfully performed by the Bidder in the past (5) five years. Provide references (name, company, designation, telephone number and email address) for each engagement. Provide details including key dates, challenges encountered, involvement of key personnel, and solutions that were implemented successfully. Include any additional related information that will assist the Municipality in the assessing your offer.
- 5) SCHEDULE 4 - PSA ACKNOWLEDGEMENT FORM

1.6.0 EVALUATION

1.6.1 Process

Within two or three days of the closing date, Corporate Services staff will review the proposals for compliance with the requirements of the RFP. Non-compliant proposals will not be considered.

The evaluation team will review and score compliant proposals. Some or all bidders may be requested to attend an interview, provide a demonstration, or provide additional information to clarify or more fully explain their proposals.

High Level Criteria include:

| | |
|----------------------------|-----|
| Company Qualifications | 10% |
| Statement of Understanding | 15% |
| Insurance Market Strengths | 10% |
| Staff Qualifications | 15% |
| Services Proposal | 20% |
| Price | 30% |

Scores for the price criterion will be calculated based on the lowest priced Proposal receiving 30 points and the remaining Proposals being assigned points based on the lowest priced Proposal being divided by the price of the next lowest Proposal and multiplied by 30, and so on for each Proposal.

As a condition of award, the Bidder must demonstrate through satisfactory references and examples, that it has proven experience and qualifications in the type of work identified in the Contract Requirements and Specifications. The Municipality may rely on any source including references and credit checks for additional information which may be used at the Municipality's discretion to further assess proposals.

The Municipality reserves the right to reject any bid should the Municipality determine insufficient or irregular information exists as to the Bidder's qualifications, ability, experience, capacity or financial resources necessary for the performance of the Services.

Once it is established that the top ranked Bidder's proposal fully meets the Municipality's requirements and that the contract if completed, is likely to be successful, then that Bidder will receive a notice of a staff recommendation to award a contract. All remaining bidders will be notified of the final recommendation.

1.7.0 CONTRACT FORMATION

It is expected that the terms and conditions of the Municipality's "PROFESSIONAL SERVICES AGREEMENT" (PSA) shall apply. By submitting its proposal, each Bidder agrees to accept these terms and conditions. However, if a Bidder takes exception to any of the terms and conditions in the PSA, the Bidder must note these exceptions on the Acknowledgement form provided in the Schedules. In such a case, the Bidder shall, in the Acknowledgement, identify the term or condition to which it takes exception, explain the reason for the exception and provide specific wording to replace such term or condition.

1.7.1 Insurance

At its own expense, the successful Bidder will be required to provide and maintain appropriate insurance for a prudent operator in its line of business for the duration of the Agreement and any renewals thereof, and with insurers acceptable to the Municipality's Corporate Services Department. In particular, the successful Bidder shall provide proof of the following insurance coverage:

Request for Proposal for Insurance Broker & Risk Management Services For Five Years
Procurement No. FS 01-10

- (a) Commercial General Liability – Five million dollars (\$5,000,000.00) per occurrence, in respect to the repair and replacement of all work the successful Bidder undertakes under the PSA against claims for personal injury, death or property damage or loss, indemnifying and protecting the Municipality and the successful Bidder, its respective employees, servants, agents, invitees or licensees. The certificate of insurance shall specifically state that the Municipality is added as an additional insured under the policy and the insurance shall include non-owned automobile insurance and employer's liability insurance.
- (b) Errors and Omissions Insurance to a minimum limit of Five million dollars (\$5,000,000.00).
- (c) Crime insurance, including not less than \$100,000 employee dishonesty coverage and not less than \$50,000 broad form money and security coverage.
- (d) Upon receipt of notification by the Municipality to do so, the successful Bidder must supply a Certificate of Insurance indicating compliance with the specified requirements, prior to execution of the PSA, and in the event of any/all changes in coverage including expiry, which may occur prior to expiry or other termination of the PSA.

End of Instructions.

SCHEDULE 1

FORM OF OFFER

THE CORPORATION OF THE MUNICIPALITY OF MEAFORD

FORM OF OFFER FOR GOODS AND/OR SERVICES

| |
|---|
| Procurement No: FS.01-10 Request for Proposal for Insurance Broker & Risk Management Services for Five Years Closing Date: Tuesday, July 29, 2010 2:00 P.M., Local Time |
|---|

To receive consideration, all submissions must be received by the Closing Date prior to the above noted closing time. Please submit your response in accordance with the Bid Request Document (which may include: Instructions, Terms and Conditions, specifications, drawings, Standard Health and Safety Bid Terms, etc.), in the envelope provided, or, clearly marked with the procurement name and number and addressed to the Director, Corporate Services Department, The Corporation of the Municipality of Meaford, 21 Trowbridge Street West, Meaford ON N4L 1A1

TOTAL COST TO THE MUNICIPALITY OF MEAFORD: \$ _____ *(Taxes Included)*

This Bid Is Submitted By:

Full Legal Name
Of Firm _____

Name of Contact _____

Address _____

Municipality _____ Province _____ Postal
Code _____

Email
Address _____

Telephone _____ Fax _____

TO THE MAYOR AND COUNCIL OF THE CORPORATION OF THE MUNICIPALITY OF MEAFORD:

I _____ of the _____
(Declarant's Name)

of _____ in the _____
(Municipality/Town) (Region/County)

Make the following declaration on behalf of _____
(Firm Name)

(hereinafter referred to as "the Bidder") and I have authority to make this declaration on behalf

of, and to bind the Bidder to its contents. I declare:

1. **THAT** no person, firm or corporation other than the one that is submitting this bid has any interest in this bid or in any contract that may result from this bid ("Contract").
2. **THAT** the person whose name appears above (Declarant) has the adequate and sufficient authority to bind the person, firm or corporation that is submitting this bid and that, where the bidder is a corporation, its corporate seal, if it should have one, is affixed to this bid.
3. **THAT** this bid is made without any connection, knowledge, comparison of figures or arrangement with any other company, firm or person making a bid for the same work and is in all respects fair and without collusion or fraud.
4. **THAT** no member of the Municipality Council, or any officer or employee of The Corporation of the Municipality of Meaford (the "Municipality") is, or will become interested directly or indirectly as a contracting party or otherwise in, or in the performance of, any Contract, or in the supplies, work or business to which it relates or in any portion of the profits thereof, or in any such supplies to be used therein or any of the monies to be derived therefrom.
5. **THAT:**
 - a) each of the Bidder and its subcontractors and suppliers is in compliance with all municipal laws and regulations as they pertain to the Municipality of Meaford in respect of the operation of its business.
 - b) neither the Bidder nor any of its subcontractors or suppliers is:
 - (i) involved in judicial or arbitral proceedings against the Municipality;
 - (ii) involved in a claim against or by the Municipality with respect to any other contract, proposal, submission or business transaction;
 - (iii) convicted of a statutory offence relating to the Municipality which has not been cured; or
 - (iv) related to or controlled by another person or entity to whom/which paragraph (i), (ii) or (iii) immediately above applies; or
 - (v) related to or controlled by another person or entity that is not in compliance

with paragraph 5(a) above.

6. **THAT** the Bidder declares that only the subcontractors, equipment and material suppliers identified below will be used by the Bidder in respect of the performance of the Contract and the Bidder will notify the Municipality in writing of any changes within five (5) business days.

LIST OF SUBCONTRACTORS:

LIST OF EQUIPMENT SUPPLIERS:

LIST OF MATERIAL SUPPLIERS:

7. **THAT** the Bidder agrees that if any statement contained in Clauses #1, 2, 3, 4, 5, or 6 is untrue or incorrect, the Municipality shall be entitled at its sole discretion to reject this bid or, if such untruth or incorrectness comes to light after the bid is accepted, to terminate or refuse to enter into, as applicable, any Contract and to pursue any other legal recourse the Municipality deems appropriate and that such untruth or incorrectness shall be a default under the Contract.
8. **THAT** if this bid is accepted, for the duration of any Contract:
- a) the Bidder shall continue to comply with all municipal laws and regulations as they pertain to the Municipality of Meaford in respect of the operation of the Bidder's business and shall ensure that its subcontractors and suppliers also remain in compliance in respect of the performance of any Contract; and
 - b) the Bidder shall comply with all federal and provincial laws and regulations, as well as any applicable Municipality of Meaford bylaws and policies in respect of the performance of any Contract.
9. **THAT** the Bidder has satisfied itself by such means as it prefers as to the actual conditions and requirements of the work and has secured all the information necessary to submit a bona fide bid.

10. **THAT** the Bidder agrees that this offer shall continue to be open for acceptance for a period of One Hundred and Twenty (120) days from the day of closing of the bid request and that the Municipality may at any time within that period and without prior notice accept this bid whether any other bid has been previously accepted or not.
11. **THAT** the Bidder acknowledges that failure to supply satisfactory references may result, in the Municipality's sole discretion, in the bid being rejected by the Municipality.
12. **THAT** the Bidder agrees that if this bid is withdrawn before the Council or staff of the Municipality has considered the bids and awarded a Contract, the amount of the deposit accompanying this bid, if any, shall be forfeited to the Municipality.
13. **THAT** the Bidder has carefully examined the locality and site(s), if applicable, of the proposed work, as well as all of the instructions, terms and conditions and specifications or other information contained in the bid request and does hereby bid and offer to enter into a Contract to do all of the work and to provide all of the labour and to provide, furnish, deliver, place and erect all materials mentioned and described or implied therein including in every case freight, duty, exchange and sales tax in effect on the date of acceptance of the bid, and all other charges, on the terms and conditions and under the provisions therein set forth and to accept in full payment therefor the sums calculated in accordance with the actual measured quantities and prices set forth in this bid.
14. **THAT** the Bidder agrees that the issuance of an executed Contract based on this bid shall be an acceptance of this bid.
15. **THAT** if this bid is accepted, the Bidder agrees to furnish the required contract surety, WSIB Clearance and Insurance Certificate as/where required within seven (7) days after being notified so to do. In the event of default or failure on its part to do so, the Bidder agrees that the Municipality shall be at liberty to retain the bid deposit, if any, for the use of the Municipality, and to accept the next lowest or any bid or to advertise for new bids, or to carry out the works in any other way they deem best. The Bidder also agrees to pay the Municipality the difference between this bid and any greater sum that the Municipality may expend or incur by reason of such default or failure, or by reason of such acting, as aforesaid, on their part, including the cost of any advertisement for new bids; and to indemnify and save harmless the Municipality and its Mayor and Councillors, officers, employees and agents from all loss, damage, cost, charges and expense which they may suffer or be put to by reason of any such default or failure on the Bidder's part.
16. **THAT**, if contract surety is required, the Bidder proposes a company which is willing to become bound with the Bidder in the amount designated for the due performance and fulfilment of any Contract.
17. **THAT** a bid deposit, if required, is enclosed.
18. **THAT** a safety acknowledgement form, if required, is enclosed.
19. **THAT** the Form of Offer and the Price Schedule are enclosed. **The Bidder agrees that bids received without these documents will be automatically rejected.**

Request for Proposal for Insurance Broker & Risk Management Services For Five Years
Procurement No. FS 01-10

20. **THAT** the Bidder agrees that:
- if any other requested information is not included in the bid submission, the Municipality may notify the Bidder and ask the Bidder to provide the missing information within the time period specified in the notice;
 - if the Bidder fails to provide the information within the specified time period, the bid will not be considered for an award.
21. **THAT**, if the Bid Request Document includes a form of agreement that a successful bidder would be required to execute, then the Bidder agrees that, if it is the successful bidder, it will execute the agreement substantially in the form in which appears in the Bid Request Document, except for those provisions to which the Bidder has indicated its objections in its bid.
22. **THAT** the matters stated in the bid are in all respects true.

By my signature hereunder, it shall be understood that, on behalf of the Bidder as the Bidder's authorized agent, I have read, understood and agree to abide by the instructions, terms, conditions and specifications contained in this Request Document, including the Bidder Information Package and any/all Special, Standard, and/or Supplementary Instructions and/or any/all Special and/or Standard Terms and Conditions of Contract, and Addenda No. _____ to _____ .

Authorized Signature _____

Name _____
(Please Print)

Title _____
(Please Print)

(Failure to sign here may result in rejection of this submission.)

SCHEDULE 2

PRICE SCHEDULE

Bidders must prepare and submit their price proposal based on the following information. Follow the structure and headings as shown.

Notes:

1. All prices shall be in Canadian dollars and shall exclude taxes.
2. The Municipality will pay for all insurance premiums separately.
3. The price/fee shall be fixed and flat and shall include all costs regardless of type e.g. staff time, overhead, profits, expenses, and travel. Any/all exclusions must be noted by the Bidder in the proposal.
4. The Affiliate program, user insurance program, and other infrequent programs, such as construction or environmental insurance, will be on a commission basis. Consulting services in connection with obtaining and implementing these programs shall be included in the annual fee.
5. In the event that the Municipality wishes to exercise one of the two annual renewal options, the fees will be negotiated to the mutual satisfaction of the parties.

Fixed Fee per annum:

| | | |
|--|-----------------|---------------|
| September 01, 2010 to December 31, 2010 (7 months) | \$ _____ | (firm) |
| January 1, 2011 to December 31, 2011 (12 months) | \$ _____ | (firm) |
| January 1, 2012 to December 31, 2012 (12 months) | \$ _____ | (firm) |
| Total Price (exclusive of taxes) | \$ _____ | (firm) |

Transfer this amount to the "FORM OF OFFER" per SCHEDULE 1

SCHEDULE 3

SERVICES PROPOSAL

Prepare and attach your services proposal including the following information:

- a) Basic Information - Provide company profile and background information including address information (if not centralized, location of offices and the respective insurance line broker specialists within those offices), and details for any proposed sub-contractors. Also provide information on relevant corporate policies such as Code of Conduct, Ethics and staff training programs.
- b) Company Qualifications - Provide information on Company qualifications, experience, facilities, financial strength, reputation and resources.
- c) Statement of Understanding - Describe your knowledge of the municipal environment and challenges and in particular, those of the Municipality.
- d) Insurance Markets Strengths - Provide information on your ability, knowledge and skills related to securing Markets and Underwriters appropriate and desirable to the Municipality. Describe your access to the market place, number of insurers (domestic and international) and any pre-arranged municipal programs.
- e) Staff Qualifications - Provide an organization chart, resumes and any appropriate information that will describe the skills and knowledge of the Account Manager and other staff who would be assigned to the Municipality's account. Include contact information.
- f) Services Proposal - Provide information on your quality and types of consulting and administrative services and include details on response times and standards for performance.

References - Provide a summary of comparable work in terms of scope and complexity that was successfully performed by the Bidder in the past (5) five years. Provide references (name, company, designation, telephone number and email address) for each engagement. Provide details including key dates, challenges encountered, involvement of key personnel, and solutions that were implemented successfully. Include any additional related information that will assist the Municipality in the assessing your offer

SCHEDULE 4

PSA ACKNOWLEDGEMENT FORM

By submitting a proposal, the Bidder agrees to enter into a contract with the Municipality substantially in the form of the PROFESSIONAL SERVICES AGREEMENT (PSA), which is included in this RFP as EXHIBIT 1.

In this Acknowledgement, the Bidder must indicate its willingness to enter into the PSA should its proposal be successful.

In this Acknowledgement, the Bidder may propose modifications to any provision of the PSA to which it takes exception. In such event, the Bidder shall:

- identify the provision to which it takes exception;
- explain why the provision is not acceptable;
- propose specific alternate language for provision that will form part of its proposal.

Unless a Bidder identifies its exception to a provision in the PSA, the Bidder shall be deemed to have accepted the provision.

COMPLETE EITHER (A) OR (B) BELOW:

(A) The Bidder acknowledges and accepts the PSA as written: _____, or:

(B) The Bidder takes exception to the following provisions in the PSA for the reasons stated below and proposes the alternate language set out below:

EXHIBIT 1

MUNICIPALITY OF MEAFORD BACKGROUND INFORMATION

1.0 Current Insurance Program

The Municipal insurance program consists of various policies covering all the operations of the Municipality.

| Coverage | Limit | Total Limit |
|-------------------------|--------|-------------|
| Municipal Liability | \$ 20M | \$ 20M |
| Environmental Liability | \$ 3M | \$ 3M |
| E&O | \$ 20M | \$ 20M |
| Comprehensive Crime | \$ 1M | \$ 1M |
| Property | \$ 62M | \$ 62M |
| Boiler & Machinery | \$ 50M | \$ 50M |
| Auto Liability | \$ 20M | \$ 20M |
| Non-Owned Auto | \$ 20M | \$ 20M |

The successful Bidder will be provided with all insurance policies which will need to be reviewed in order to finalize the insurance procurement.

Estimated time commitment based on the first year record keeping of the Municipality's current broker:

| Broker Service | Estimated Annual Hours |
|-------------------------------------|------------------------|
| General RM & Insurance | 370 |
| Risk Financing | 40 |
| Policy Wording & Insurance Products | 450 |
| Certificates of Insurance | 20 |
| Total | 880 |

On an annual basis, the Municipality received the following number of claims between 2004 and 2009:

| Month / Year | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 |
|--------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| YEARLY TOTALS | 8 | 7 | 1 | 4 | 1 | |

2.0 Types of Insurance

The Municipality's insurance coverage includes:

- Errors and Omissions
- Bond / Theft / Crime
- Property - all risk
- Fleet -corporate and executive
- Liability
- Councillors' Accident
- Municipal Conflict of Interest
- Boiler and machinery
- Marina liability
- Employment Practices liability
- Environmental Liability
- Legal Expense Defence Policy
- Non-owned Auto

Actual and Potential Additional Insurance Coverage, as requested by the Contract Manager:

- Construction project insurance (Owner Controlled Insurance Programs)
- User Insurance
- Event insurance
- Other forms of insurance

3.0 Property

3.0.1 The Municipality will provide a current list of all Municipality-owned property.

3.0.2 Full replacement cost insurance is maintained on all Municipality property unless specifically identified otherwise, for example, on historical properties.

3.1 Vehicles/Fleet

3.1.1 The Municipality will provide a current list of all Municipality-owned vehicles.

EXHIBIT 2

CONTRACT REQUIREMENTS AND SCOPE OF WORK

1.0 General

The Consultant shall provide at a minimum, industry standard insurance Consultant services, risk management advice and guidance and support to the Municipality as needed to deliver a comprehensive insurance and risk management program for the Municipality and its affiliates.

The Consultant should have a current Registered Insurance Brokerage of Ontario license (RIBO).

The Consultant should have 10 years of public entity insurance service and 7 years of municipal insurance experience.

The Consultant shall at all times be able to demonstrate that it has the ability to search, develop and maintain effective business relationships with an array of insurers that can/will provide any and all insurances which may be required or appropriate for the Municipality, at competitive rates and under satisfactory terms.

In addition to the certifications, licenses and/or qualifications appropriate for this line of business, the Consultant, shall ensure that their staffs have/maintain the requisite experience, knowledge and skills to be able to continuously provide services of the complexity, nature and scope as required by the Municipality of Meaford.

In particular, the Account Manager assigned to the Municipality should have a minimum of 7 years of municipal insurance service and be able to demonstrate extensive knowledge of the field including at least the following areas: the insurance industry particularly as it applies to municipalities, provincial procedures and regulations, risk mitigation, case law, environmental issues and industry trends.

2.0 Scope of Work

The scope of work of the Consultant includes, but is not limited to, the following:

3.1 Insurance Coverages

- (a) On an annual basis, the Consultant shall obtain and implement the full suite of Insurance coverages required by the Municipality (at a minimum, the same amount limits, types of coverage with similar conditions and language for all existing Municipality facilities, programs and services as those presently in place under the Municipality's existing insurance contracts at the time of the RFP including the Municipality's Affiliated group programs and non-profit groups who received affiliate status through the Municipality's affiliate program) and facility user insurance program.

- (b) As part of providing the coverages, the Consultant will assume responsibility for providing all services related to insurance and assist the Municipality in:
- implementing appropriate types of insurance policies or alternative risk financing mechanisms, with suitable limits and deductibles/self-insured retentions;
 - reviewing alternative risk financing mechanisms;
 - developing policy wording and providing interpretation;
 - participating in any related meetings with the Municipal staff, Council, its Affiliate Groups, its vendors, for example, the Municipality's actuary and appraisers.
 - from time to time, it may be necessary for the Consultant to help source other insurance coverages such as environmental, construction, event, employee group home and auto insurance, to source alternative markets and Consultants in specialized fields related to insurance and risk management.
- (c) Provide Insurance Certificates for new Municipal agreements, Municipal activities and for updates for ongoing operating agreements.

3.2 Additional Consulting Services

The Consultant shall:

- provide assistance with Loss Control (minimal as the Municipality generally relies on the insurer for this service),
- act as a liaison between the Municipality and insurer in the event there are claim concerns raised by the insurer for claims covered by the insurer,
- respond to general inquiries including requests for clarification on insurance policy coverage,
- review and provide advice on insurance clauses in Municipal contracts and agreements,
- provide advice on insurance limits for the Municipality's procurements,
- advise on other loss prevention and control techniques,
- provide training programs for Municipal staff,
- keep the Municipality up-to-date with the latest industry information, methods, and changes to municipal risk/exposure brought about by legislative changes, and
- attend Municipal seminars on request,
- The Consultant's Account Manager may be required to make presentations to the Mayor and Members of Council and/or senior management and staff.

3.3 Support for Municipality Affiliated Groups

The Consultant shall:

- provide certificates
- respond to insurance related requests and other general enquiries

- host an annual meeting at a Municipality's facility to update affiliate groups on coverage and industry trends as well as provide advice.

3.4 **Reports**

The Consultant shall provide detailed reports:

- (a) on a quarterly basis, summarizing key issues or events and describing the level of effort and the services provided in the previous month,
- (b) on a quarterly basis identifying all facility user insurance purchases by use type, and:
- (c) as requested by the Director of Corporate Services.

3.0 **Service Standards**

The Consultant shall exhibit a high degree of professionalism at all times and shall ensure that all requests for service are responded to promptly.

Target Service Levels:

| Service | Acknowledgement | Response |
|--|------------------------|-------------------------|
| Certificate of Insurance | | 24 hours |
| General Inquiries | 24 hours | Dependant on Complexity |
| Reports | 24 hours | Dependant on Complexity |
| Policy Coverage Inquiries | | 48 hours |
| Contract / Insurance Clause Review | 24 hours | 72 hours |
| Insurance Products / Risk Financing Services | 24 hours | Dependant on Complexity |