

City of Palm Coast, Florida

Agenda Item

Agenda Date: 8/11/2020

Department	CITY WIDE	Amount
Item Key		Account #
Subject	RESOLUTION 2020-XX APPROVING PROCUREMENT OF THE CITY'S INSURANCE PROGRAM, INCLUDING PROPERTY, GENERAL LIABILITY, AUTO AND WORKERS COMPENSATION COVERAGE, AND RELATED SERVICES, FROM PUBLIC RISK INSURANCE ADVISORS	
Presenter:	Helena Alves, Finance Director	
Background:	<p>The City of Palm Coast has been procuring its insurance program through the Florida League of Cities (the League) since at least 2009. The League is a wholly owned administrator of the Florida Municipal Insurance Trust (FMIT). The coverage includes general liability, auto, property and workers compensation coverage, as well as related claims handling services. Additionally, the League's program includes property damage mitigation, enhanced cyber coverage and recently it has added firefighter cancer coverage and COVID 19 First Responder Coverage. During the summer of 2019 the City sought a competitive quote from the League's main competitor, Brown & Brown. Brown & Brown's quote offered coverage through the Preferred Governmental Insurance Trust (PGIT). After evaluations of the quote, it was determined that the League's annual renewal offer was once again the most economical.</p> <p>This summer, the City facilitated a formal Request for Proposals under RFP-FS-20-58 for the 2020-2021 coverage year (Oct 1 through Oct 1) with the option to renew for four (4) annual coverage periods thereafter. The RFP specifically asked that the proposals provide for a program of insurance (coverage and services) that must be materially the same as what the City has been receiving from the League. Responsive and responsible proposals were received from only two firms, the Florida League of Cities and Public Risk Insurance Advisors (a wholly owned subsidiary of Brown & Brown). After careful evaluation of the responses, City staff ranked Public Risk Insurance Advisors most responsive and responsible; said insurance to be covered by PMIT. Therefore, City staff recommends that City Council approve procurement of its insurance program from Public Risk Insurance Advisors. In support of this recommendation, the project bid overview and notice of intent to award are attached.</p> <p>Premiums for coverage shall not exceed amounts appropriated by City Council in the budget for the 2020-2021 fiscal year as well as for each renewal year thereafter.</p>	
Recommended Action:	ADOPT RESOLUTION 2020-XX APPROVING THE PROCUREMENT OF THE CITY'S INSURANCE PROGRAM, INCLUDING PROPERTY, GENERAL LIABILITY, AUTO AND WORKERS COMPENSATION COVERAGE AND RELATED SERVICES FROM PUBLIC RISK INSURANCE ADVISORS	

RESOLUTION 2020-____
INSURANCE PROGRAM

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PALM COAST, FLORIDA, APPROVING PROCUREMENT OF THE CITY'S INSURANCE PROGRAM, INCLUDING PROPERTY, GENERAL LIABILITY, AUTO AND WORKERS COMPENSATION COVERAGE, AND RELATED SERVICES, FROM PUBLIC RISK INSURANCE ADVISORS; AUTHORIZING THE CITY MANAGER, OR DESIGNEE, TO EXECUTE SAID AGREEMENT; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICTS; PROVIDING FOR IMPLEMENTING ACTIONS AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Palm Coasts desires to procure the City's program of insurance, including property, general liability, auto and workers compensations coverage and related services from competent and qualified insurance firm and conducted RFP-FS-20-30 for the selection of a responsive and responsible provider of said coverage and related services; and

WHEREAS, Public Risk Insurance Advisors, a wholly owned subsidiary of Brown & Brown, is in the business of providing governmental insurance coverage programs as requested in RFP, responded to said RFP, and desire to provide such insurance and related services to the City of Palm Coast.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF PALM COAST, FLORIDA AS FOLLOWS:

SECTION 1. APPROVAL OF INSURANCE PROGRAM. The City Council of the City of Palm Coast hereby approves the procurement of the program of insurance, including property, general liability, auto and workers compensations coverage and related services from Public Risk Insurance Advisors.

SECTION 2. AUTHORIZATION TO EXECUTE. The City Manager, or designee, is hereby authorized to execute the necessary documents.

SECTION 3. SEVERABILITY. If any section or portion of a section of this Resolution proves to be invalid, unlawful, or unconstitutional, it shall not be held to invalidate or impair the validity, force, or effect of any other section or part of this Resolution.

SECTION 4. CONFLICTS. All resolutions or parts of resolutions in conflict with any of the provisions of this Resolution are hereby repealed.

SECTION 5. IMPLEMENTING ACTIONS. The City Manager is hereby authorized to take any actions necessary to implement the action taken in this Resolution.

SECTION 6. EFFECTIVE DATE. This Resolution shall take effect immediately upon adoption by the City Council.

DULY PASSED AND ADOPTED by the City Council of the City of Palm Coast, Florida, on this 18th day of August 2020.

CITY OF PALM COAST

ATTEST:

MILISSA HOLLAND, MAYOR

VIRGINIA A. SMITH, CITY CLERK

Attachment: Exhibit A: Grant Agreement with Flagler Volunteer Services, Inc.

Approved as to form and legality

William E. Reischmann, Jr., Esq.
City Attorney



RFP-FS-20-58 - PROPERTY, GENERAL LIABILITY AND WORKERS COMPENSATION INSURANCE PROGRAM

Project Overview

Project Details	
Reference ID	RFP-FS-20-58
Project Name	PROPERTY, GENERAL LIABILITY AND WORKERS COMPENSATION INSURANCE PROGRAM
Project Owner	Jesse Scott
Project Type	RFP
Department	Procurement
Budget	\$0.00 - \$0.00
Project Description	This Request for Proposals is issued for the purpose of requesting proposals from qualified firms and individuals that are interested in providing the City of Palm Coast with a program for property, general liability, and workers compensation insurance coverage.
Open Date	May 27, 2020 8:00 AM EDT
Intent to Bid Due	Jun 10, 2020 2:00 PM EDT
Close Date	Jun 18, 2020 2:00 PM EDT

Awarded Suppliers	Reason	Score
Public Risk Insurance Advisors		93.33 pts



Seal status

Requested Information	Unsealed on	Unsealed by
Proposal	Jun 18, 2020 2:01 PM EDT	Jesse Scott
Price Submission Spreadsheet	Jun 18, 2020 2:01 PM EDT	Jesse Scott
References	Jun 18, 2020 2:01 PM EDT	Jesse Scott
Forms 1 - 4	Jun 18, 2020 2:01 PM EDT	Jesse Scott
Addendum 1	Jun 18, 2020 2:01 PM EDT	Jesse Scott
Addendum 2	Jun 18, 2020 2:01 PM EDT	Jesse Scott

Conflict of Interest

Declaration of Conflict of Interest You have been chosen as a Committee member for this Evaluation. Please read the following information on conflict of interest to see if you have any problem or potential problem in serving on this committee. ## Code of Conduct All information related to submissions received from Suppliers or Service Providers must be kept confidential by Committee members. ## Conflict of Interest No member of a Committee shall participate in the evaluation if that Committee member or any member of his or her immediate family: * has direct or indirect financial interest in the award of the contract to any proponent; * is currently employed by, or is a consultant to or under contract to a proponent; * is negotiating or has an arrangement concerning future employment or contracting with any proponent; or, * has an ownership interest in, or is an officer or director of, any proponent. Please sign below acknowledging that you have received and read this information. If you have a conflict or potential conflict, please indicate your conflict on this acknowledgment form with information regarding the conflict. I have read and understood the provisions related to the conflict of interest when serving on the Evaluation Committee. If any such conflict of interest arises during the Committee's review of this project, I will immediately report it to the Purchasing Director.



Name	Date Signed	Has a Conflict of Interest?
Helena Alves	Jun 29, 2020 12:58 PM EDT	No
Jesse Scott	Jun 18, 2020 2:01 PM EDT	No
Tim Wilsey	Jun 22, 2020 10:53 AM EDT	No
Ginger Norberg	Jun 22, 2020 11:04 AM EDT	No
Matthew Mancill	Jun 22, 2020 11:16 AM EDT	No



Project Criteria

Criteria	Points	Description
Administrative Review	Pass/Fail	Submission is completed as requested, all forms included, Addenda returned signed and dated (if issued).
Ability to address the needs of the City	40 pts	Unacceptable 0 Below Average 1 Average 2 Above Average 3 Well Above Average 4 Outstanding 5 Section should discuss the highlights, key features and distinguishing points of the proposal. This section shall establish that the Proposer understands the City's objectives and work requirements and Proposer's ability to satisfy those objectives and requirements. Succinctly describe the proposed approach for addressing the required services and the Proposer's ability to meet the City's schedule for providing the work, service, outlining the approach that would be undertaken in providing the requested services.
Key Staff Qualifications	10 pts	Unacceptable 0 Below Average 1 Average 2 Above Average 3 Well Above Average 4 Outstanding 5 Provide an organization chart showing a staffing plan, which clearly illustrates the key elements of the organizational structure with specific proposed functions for each individual who will support the insurance program you will be providing to the City. Provide their contact information and resumes. Please describe Key personnel past experience as it relates to the program for the City. The information provided under this section should be limited to a maximum of ten (10) pages.



Reputation	5 pts	Unacceptable 0 Below Average 1 Average 2 Above Average 3 Well Above Average 4 Outstanding 5 Provide the contact information, including email address) for up to three entities where similar insurance programs have been provided within the last three (years). We will be sending a questionnaire to each reference provided. Responses will contribute to the evaluation of reputation.
Value Added Options	5 pts	Unacceptable 0 Below Average 1 Average 2 Above Average 3 Well Above Average 4 Outstanding 5 In this section, discuss any ideas, innovative approaches, or specific new concepts that would benefit the City and the additional related costs. The Proposer should provide details on the success of these value added options on other engagements.
Program Price Proposal	40 pts	Unacceptable 0 Below Average 1 Average 2 Above Average 3 Well Above Average 4 Outstanding 5 Evaluate based on prices from the submitted Pricing Spreadsheet.
Total	100 pts	



Scoring Summary

Active Submissions

	Total	Administrative Review	Ability to address the needs of the City	Key Staff Qualifications	Reputation
Supplier	/ 100 pts	Pass/Fail	/ 40 pts	/ 10 pts	/ 5 pts
Public Risk Insurance Advisors	93.33 pts	Pass	37.33 pts	9.333 pts	4.667 pts
Florida League of Cities	78 pts	Pass	32 pts	8.667 pts	4.667 pts

	Value Added Options	Program Price Proposal
Supplier	/ 5 pts	/ 40 pts
Public Risk Insurance Advisors	4.667 pts	37.33 pts



	Value Added Options	Program Price Proposal
Supplier	/ 5 pts	/ 40 pts
Florida League of Cities	3.333 pts	29.33 pts



Finance Department
Budget & Procurement Office

160 Lake Avenue
Palm Coast, FL 32164
386-986-3730

NOTICE OF INTENT TO AWARD

Project: PROPERTY, GENERAL LIABILITY AND WORKERS
COMPENSATION INSURANCE PROGRAM - RFP-FS-20-58

Date: 6/30/2020

Appeal Deadline: Appeals must be Filed by 5:00 PM on 7/6/2020

Firm	Points
Public Risk Insurance Advisors Daytona Beach, FL	93.33
Florida League of Cities Orlando, FL	78.00

The intent of the City of Palm Coast is to award PROPERTY, GENERAL LIABILITY AND WORKERS COMPENSATION INSURANCE PROGRAM to **Public Risk Insurance Advisors**

**Cc: Contract Coordinator, Project Manager, BPO Manager,
Financial Services Director, Department Director**

For questions regarding the NOIT please contact Procurement Coordinator jkscott@palmcoastgov.com.

Bid protests arising under City Bidding Documents or Procedures shall be resolved under the City of Palm Coast Budget and Procurement Office Bid Protest procedures.

A proposer may protest matters involving the award of this Bid within three (3) business days from the posting of this recommendation to award. Failure to protest to the City's Financial Services Director, Helena Alves (HALves@palmcoastgov.com) shall constitute a waiver of the protest proceedings.

Bid #: RFP-FS-20-58

Property, General
Liability and Workers'
Compensation
Insurance Program



Summary

- State of Florida insurance regulations require that The City of Palm Coast maintain specific insurances. In order to select an appropriate provider for this service, a Request for Proposal (RFP) for Property, General Liability and Workers Compensation Insurance Program was conducted, with responses due June 18, 2020.
- As with the current arrangement, the City's proposal requested a bid on current coverages. The selected respondent is expected to perform services to include reviewing and evaluating the City's ongoing needs for specific insurance programs to assure compliance with all federal, state, and local rules. The respondent will also be expected to assess cost effectiveness of such programs, offer alternatives for evaluation, and recommend changes that are in the best interest of the City of Palm Coast.
- Two firms responded to the RFP within the required time frames. The two respondents were ranked by an employee committee. Based upon evaluations, Public Risk Insurance Advisors (PRIA) was the highest ranked respondent.
- Alternatives and Analysis
 - The committee unanimously recommends that, PRIA be awarded the ability to provide afore mentioned insurance services for FY 2021. The term of the policy: October 1, 2020 – October 1, 2021, with four (4) each, one (1) year renewals.



Timeline:

May 27, 2020
Open for
Submissions

June 18, 2020
Deadline for
Submissions

June 30, 2020
Notice of
Intent to
Award

August 11, 2020
Council:
Workshop

August 18, 2020
Council:
Business
Meeting



Public Risk Insurance Advisors (PRIA)

A Family of Companies

Our parent company, Brown & Brown, Inc. was founded in 1939 in Daytona Beach and has since grown to be the largest insurance intermediary in Florida and the 6th largest in the world. That growth has pushed our company beyond 200 offices nationwide, housing more than 10,000 teammates

Florida Public Entity Footprint - PRIA

The Public Risk Insurance Advisors (PRIA) team is a highly specialized unit of insurance advisors 100% trained to deliver industry-leading brokerage services to public entities in the State of Florida. Since 1992, we have continuously refined that specialization and enhanced our services en-route to becoming the largest public entity brokerage in Florida.

Our team provides Property & Casualty advisement and insurance services to 70 cities, 25 counties, 6 public school boards and 150 special taxing districts.

Our clients, from Key West to the Florida Panhandle, purchase excess of **\$130 Million** in annual Property and Casualty Commercial Insurance premiums.



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Proposal Highlights



Coverage Improvements at Significant Savings

- Savings of \$130,000 compared to the expiring policy and \$88,000 savings compared to FMIT renewal offer.
- No exclusions or sub limits related to COVID, Pandemic or Communicable Disease claims.
- Auto Liability coverage provided with a ZERO deductible. FMIT's expiring deductible is \$25,000 for each claim.
- Agreed Value claim payments (no depreciation) for all City Fire & Heavy Trucks. FMIT only provides claim payment including depreciation.
- Coverage for Sewer Back-ups greatly improved. Policy includes a \$200,000 limit for property damage claims with no "initial clean up only" limitation.
- Named Windstorm coverage for all locations. Current coverage excludes windstorm losses at 12 locations.
- Named Windstorm deductible is reduced to 3% from 5% per location.
- Much Improved coverage for EEOC complaints, Injunctive Relief and Non-Monetary claims.
- Turn-Key Disaster Recovery Program



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	FMIT			PGIT			Comparison	
LINE OF COVERAGE	LIMIT	DEDUCTIBLE/SIR	ANNUAL PREMIUM	LIMIT	DEDUCTIBLE/SIR	ANNUAL PREMIUM	FMIT	PGIT
Property:								
Company	Florida Municipal Insurance Trust			Preferred Governmental Insurance Trust			Property	
Blanket Buildings & Contents	\$ 135,353,349	\$ 5,000	\$ 511,452	\$ 135,353,349	\$ 5,000	\$ 486,262	Premium	\$ (25,190)
Equipment Breakdown	\$ 50,000,000	\$ 5,000		\$ 50,000,000	\$ 5,000		Difference	-4.93%
Excess Flood	\$ 5,000,000	\$5,000 / excess NFIP		\$ 5,000,000	\$5,000 / excess NFIP		PGIT includes property coverage on a full blanket limit, with no exclusions for wind.	
Earth Movement				\$ 5,000,000	\$ 5,000			
Terrorism	\$ 5,000,000	\$ 5,000		\$ 5,000,000	\$ 5,000			
Named Windstorm	Certain exlcusions apply	3%		Full Blanket Limit	3% / \$20,000 Minimum			
Additional Expense	\$ 1,000,000			\$ 1,000,000				
Errors & Omissions	\$ 100,000			\$ 250,000				
Pedestrian Bridge and Pier	\$ 177,742		\$ 8,033	Included		Included		
Inland Marine:								
Unscheduled Blanket Inland Marine	\$ 1,000,000		Included	\$ 1,000,000		\$ 7,045		
Mobile Equipment	\$ 6,645,091	Actual Cash Value		\$ 6,645,901	Agreed Value			
		Sub-Total	\$ 519,485		Sub-Total	\$ 493,307		
Crime:							CRIME	
Company							Higher limits for Employee Dishonesty and Faithful Performance are provided through PGIT.	
Employee Dishonesty	\$ 25,000	\$ 250	\$ 1,676	\$ 250,000	\$ 1,000	\$ 817		
Theft, Disappearance & Destruction In/Out	\$ 25,000	\$ 250		\$ 100,000	\$ 1,000			
Funds Transfer	\$ 500,000	\$ 250		\$ 500,000	\$ 1,000			
Computer Fraud	\$ 500,000	\$ 250		\$ 500,000	\$ 1,000			
Forgery/Alterations	\$ 50,000	\$ 250		\$ 50,000	\$ 1,000			
		Sub-Total	\$ 1,676		Sub-Total	\$ 817		
General Liability:							General Liability	
Company							Sewer Line Backup Coverage PGIT provides \$10,000 no fault & \$200,00 for at fault claims. FMIT limits each claim to initial clean up only & \$10,000	
General Liability	\$ 3,000,000	\$ -	\$ 99,824	\$ 3,000,000	\$ -	\$ 108,586		
Employee Benefits	\$ 3,000,000			\$ 3,000,000	\$ -			
Sewer Backup & Water Damage	\$10,000 per property / \$200K Agg			\$ 200,000	\$ -			
Bert Harris Act / Inverse Condemnation	\$ 300,000	\$ 5,000		\$ 300,000	\$ -			
Deadly Weapon Protection			Included	\$ 1,000,000	\$ -	Included		
		Sub-Total	\$ 99,824		Sub-Total	\$ 108,586		



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LINE OF COVERAGE	FMIT			PGIT			Comparison	
	LIMIT	DEDUCTIBLE/SIR	ANNUAL PREMIUM	LIMIT	DEDUCTIBLE/SIR	ANNUAL PREMIUM	FMIT	PGIT
Automobile:								
Company								
Auto Liability	\$ 1,000,000	\$ -	\$ 34,086	\$ 1,000,000	\$ -	\$ 30,215		Auto Liability/Physical Damage
Uninsured Motorist	N/A			N/A				
Comprehensive/Collision		\$ 1,000	\$ 32,396		\$ 1,000	\$ 31,320		
		Sub-Total	\$ 66,482		Sub-Total	\$ 61,535		
Public Officials:								
Company								
Public Officials Liability	\$ 3,000,000	\$ -	\$ 159,615	\$ 3,000,000	\$ -	\$ 120,637		Public Officials/Employment Practices Liability
Employment Practices Liability	\$ 3,000,000	\$ -		\$ 3,000,000	\$ -			
Cyber Liability	\$ 2,000,000			\$ 2,000,000	\$ -			Better coverage for EEOC & Injunctive Relief Claims. \$250k limit for Social Engineering claims vs \$100k
Social Engineering/ False Impersonation	\$ 100,000			\$ 250,000				
		Sub-Total	\$ 159,615		Sub-Total	\$ 120,637		
Workers' Compensation:								
Company								
	Experience Mod: .69			Experience Mod: .69				Workers Compensation
	Payroll: \$24,759,078			Payroll: \$24,759,078				
Workers' Compensation	Statutory	\$25,000	\$ 296,625	Statutory	\$ 25,000	\$ 270,231		
Employers Liability	\$1M/\$1M/\$1M	\$356,014 Stop Loss	Included	\$1m/\$1m/\$1m		Included		
		Sub-Total	\$ 296,625		Sub-Total	\$ 270,231		
TOTAL PREMIUM			\$1,143,707			\$1,055,113		
					\$ Difference	\$ (88,594)		
					% Difference	-7.75%		



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