

SERIAL 06158 S INSURANCE BROKER CONTRACT SERVICES – RM (NIGP 91869, 96247)

DATE OF LAST REVISION: June 07, 2007 CONTRACT END DATE: June 30, 2010

AMENDMENT #1 (DTD 6/07/07) Changes language in Sections 3.4, 3.5 & 3.5.5.2. Added language is indicated by bold characters and deleted language is indicated as lined thru. Effective date of AMENDMENT #1 is 7/1/07

CONTRACT PERIOD THROUGH JUNE 30, 2010

TO: All Departments
FROM: Department of Materials Management
SUBJECT: Contract for INSURANCE BROKER CONTRACT SERVICES – RM (NIGP 91869, 96247)

Attached to this letter is published an effective purchasing contract for products and/or services to be supplied to Maricopa County activities as awarded by Maricopa County on **May 16, 2007 (Eff. 07/01/2007)**.

All purchases of products and/or services listed on the attached pages of this letter are to be obtained from the vendor holding the contract. Individuals are responsible to the vendor for purchases made outside of contracts. The contract period is indicated above.

Wes Baysinger, Director
Materials Management

SF/ks
Attach

Copy to: Clerk of the Board
Peter Crowley, Risk Management
Kathy Sicard, Materials Management

(Please remove Serial 02010-S from your contract notebooks)

VENDORS MUST ACKNOWLEDGE RECEIPT OF THIS AMENDMENT:

Signature:

Date:

**INVITATION FOR BID FOR: INSURANCE BROKER CONTRACT SERVICES – RM
(NIGP 91869, 96247)**

1.0 INTENT:

- 1.1 This document constitutes an Invitation for Bids (IFB), **via sealed bid**, to identify fully qualified vendors to provide Insurance Broker Services for the County of Maricopa, Risk Management Department. The contract resulting from this solicitation is a requirements contract. Bidders are required to provide individual year pricing (Year 1 Pricing, Year 2 Pricing and Year 3 Pricing) for each year of this contract (see Attachment A, pricing page). The County anticipates one (1) contract award will be made, to meet the full requirements of the County. *The contract resultant of this solicitation is expected to be awarded with an effective date of July 1, 2007.*

Bidders should review Exhibit # 2 (Current Maricopa County Policy Schedule, which is the present schedule of insurance coverage obtained for the County, by its current contractor/broker. The County expects that similar coverages will be sought for the effective duration of the contract resultant of this solicitation. Other documents/schedules/reports, to assist the participants, may be provided at the MANDATORY PRE-BID CONFERENCE.

2.0 SPECIFICATIONS:

2.1 BACKGROUND:

2.1.1 The Maricopa County Risk Management Dept. is responsible for providing for the insurance needs of Maricopa County (Departments, Districts, Boards, Commissions, Employees, etc.), as well as for the Maricopa County Special Health Care District. A major portion of this responsibility involves the acquisition of competitively priced insurance coverage from qualified sources, and also includes certain consultation/advisory services, related to the County's insurance needs.

2.1.2 The purpose of this IFB is to select a qualified Insurance Broker who will identify insurance coverage sources. This identification process entails a review of the sources' qualifications to provide insurance coverage. Upon a source being selected, the Broker will solicit quotations, as needed. Such quotations will be in response to the County's specifications and shall include both price and service information. The term "broker" and the term "contractor" are used interchangeably throughout this IFB. This is a requirements contract.

2.2 BROKER QUALIFICATIONS:

2.2.1 Shall be a licensed insurance broker.

2.2.2 Shall maintain a full service Maricopa County office.

2.2.3 Shall have national resources offices.

2.2.4 Shall have public entity experience with no less than 5000 employees in all lines of property-casualty insurance.

2.2.5 Shall provide all services defined in this solicitation, for the compensation the bidder has offered. (Pricing Page, Attachment A). **No other fee/compensation is applicable.**

2.3 BROKER SERVICES:

The Broker shall provide the professional services necessary to perform the following:

2.3.1 Assist in the risk exposure evaluation to identify avenues for risk transfer of actual or potential loss faced by the County.

- 2.3.2 Assist in preparation of insurance coverage specifications.
- 2.3.3 Obtain coverage quotations as follows:
 - 2.3.3.1 Broker shall maintain a list of all coverages and expiration dates. Expiration dates vary through out the calendar year.
 - 2.3.3.2 Insurance companies (both admitted and not admitted in Arizona) doing business with the County must be classified by A.M. Best's Key Rating Guide as A and Class 7, or better.
 - 2.3.3.3 Once the companies have been agreed upon, the coverage specifications and requirements will be given to the Broker.
 - 2.3.3.4 The specifications will contain the date that all quotes must be returned by. Quotes not received by this date may not be considered.
 - 2.3.3.5 Provide all quotations received from companies with detailed recommendations to the County, of which companies would best provide the desired insurance coverage and services. The County will review companies proposed and give approval of acceptability.
 - 2.3.3.6 Provide verifications of insurance, as needed by the County, to satisfy various lending institutions, mortgage holders, lessors, and contracts.
 - ~~2.3.3.7 Provide, at the County's request, property loss control services to include, but not be limited to, site inspection, assisting in refinement of fire suppression systems, design review, architectural building plan review, and other specialized services provided by property loss control specialist of Broker.~~
 - 2.3.3.8 Provide assistance in the form of advisory services or written reports as is customarily expected from a professional insurance broker upon County request, including, but not limited to, projections of future insurance premium costs.
 - 2.3.3.9 Provide to County a quality report of all aspects of County insurance programs (i.e. status, problems, and recommendations).

2.4 REQUIRED SUBMITTALS:

All submittals/bids submitted shall contain the following **MANDATORY**:

-Required submittals shall be clearly identified, as below, provided in the same order, as listed below, and be affixed to the bid as a "package"

- 2.4.1 ***Information on the bidders related experience in the field of Insurance Coverage Provision Services. This should include specific information on the type of services provided and on the dates of performance.***
- 2.4.2 ***A listing reflecting current major municipal references. References shall be verifiable and should be able to comment on the bidder's related experience. The bidders shall submit five(5) similar-type professional service references.***
- 2.4.3 ***Bidders shall provide an organizational chart for the Maricopa County office, showing the staffing and lines of authority for the key personnel to be used during the contract. The relationship of the project leader to management and to support personnel should be clearly illustrated.***

- 2.4.4 *The most recent audited financial statements of both the corporate and the Maricopa County office.*
- 2.4.5 **Certificate of Insurance providing proof of Errors and Omissions coverage.**
- 2.4.6 *Plans for maintenance/growth of Maricopa County office.*
- 2.4.7 *A synopsis of municipal expertise is requested. (Note: The synopsis shall indicate if expertise is in-house locally or in another corporate office.)*

2.5 USAGE REPORT:

The Contractor shall furnish the County a quarterly usage report delineating the acquisition activity governed by the Contract. The format of the report shall be approved by the County and shall disclose the quantity and dollar value of each contract item by individual unit.

2.6 INVOICES AND PAYMENTS:

2.6.1 **The Contractor shall submit two (2) legible copies of their detailed invoice before payment(s) can be made. At a minimum, the invoice must provide the following information:**

- 2.6.1.1 Company name, address and contact
- 2.6.1.2 County bill-to name and contact information
- 2.6.1.3 Contract Serial Number
- 2.6.1.4 County purchase order number
- 2.6.1.5 Invoice number and date
- 2.6.1.6 Payment terms
- 2.6.1.7 Date of service or delivery
- 2.6.1.8 Quantity (number of days or weeks)
- 2.6.1.9 Contract Item number(s)
- 2.6.1.10 Description of Purchase (product or services)
- 2.6.1.11 Pricing per unit of purchase
- 2.6.1.12 Freight (if applicable)
- 2.6.1.13 Extended price
- 2.6.1.14 Mileage w/rate (if applicable)
- 2.6.1.15 Arrival and completion time (if applicable)
- 2.6.1.16 Total Amount Due

Problems regarding billing or invoicing shall be directed to the using agency as listed on the Purchase Order.

2.6.2 Payment will be made to the Contractor by Accounts Payable through the Maricopa County Vendor Express Payment Program. This is an Electronic Funds Transfer (EFT) process. After Award the Contractor shall fill out an EFT Enrollment form (to be provided by the Procurement Officer) or as located on the County Department of Finance Website as a fillable PDF document (www.maricopa.gov/finance/).

2.6.3 EFT payments to the routing and account numbers designated by the Contractor will include the details on the specific invoices that the payment covers. The Contractor is required to discuss remittance delivery capabilities with their designated financial institution for access to those details.

2.7 TAX:

No tax shall be levied against labor. It is the responsibility of the Contractor to determine any and all taxes and include the same in proposal price.

2.8 DELIVERY:

It shall be the Contractor's responsibility to meet the proposed service delivery requirements. Maricopa County reserves the right to obtain services on the open market in the event the Contractor fails to make service delivery and any price differential will be charged against the Contractor.

3.0 SPECIAL TERMS & CONDITIONS:

3.1 CONTRACT TERM:

This Invitation for Bid is for awarding a firm, fixed price purchasing contract to cover a three (3) year period.

3.2 OPTION TO EXTEND:

The County may, at their option and with the approval of the Contractor, extend the period of this Contract up to a maximum of three (3), one (1) year options, (or at the County's sole discretion, extend the contract on a month to month basis for a maximum of six (6) months after expiration). The Contractor shall be notified in writing by the Materials Management Department of the County's intention to extend the contract period at least thirty (30) calendar days prior to the expiration of the original contract period. The fee for any extension period shall be subject to negotiation prior to activation of such extension.

3.3 PRICE ADJUSTMENTS:

Any requests for reasonable price adjustments must be submitted sixty (60) days prior to the contract expiration. Requests for adjustment in cost of labor and/or materials must be supported by appropriate documentation. If County agrees to the adjusted price terms, County shall issue written approval of the change. The reasonableness of the request will be determined by comparing the request with the (Consumer Price Index) or by performing a market survey.

3.4 INDEMNIFICATION AND INSURANCE:

3.4.1 INDEMNIFICATION

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless County, its agents, representatives, officers, directors, officials, and employees from and against all claims, damages, losses and expenses, including, but not limited to, attorney fees, court costs, expert witness fees, and the cost of appellate proceedings, relating to, arising out of, or alleged to have resulted from the negligent acts, errors, omissions or mistakes relating to the performance of this Contract **by Contractor**. Contractor's duty to defend, indemnify and hold harmless County, its agents, representatives, officers, directors, officials, and employees shall arise in connection with any claim, damage, loss or expense that is attributable to bodily injury, sickness, disease, death, or injury to, impairment, or destruction of property, including loss of use resulting there from, caused by any negligent acts, errors, omissions or mistakes in the performance of this Contract **by Contractor** including any person for whose acts, errors, omissions or mistakes Contractor may be legally liable.

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

The scope of this indemnification does not extend to the sole negligence of County.

3.5 INSURANCE REQUIREMENTS

Contractor, at Contractor's own expense, shall purchase and maintain the herein stipulated minimum insurance from a company or companies duly licensed by the State of Arizona and possessing a current A.M. Best, Inc. rating of B++6. In lieu of State of Arizona licensing, the stipulated insurance may be purchased from a company or companies, which are authorized to do business in the State of Arizona, provided that said insurance companies meet the approval of County. The form of any insurance policies and forms must be acceptable to County.

All insurance required herein shall be maintained in full force and effect until all work or service required to be performed under the terms of the Contract is satisfactorily completed and formally accepted. Failure to do so may, at the sole discretion of County, constitute a material breach of this Contract.

Contractor's insurance shall be primary insurance as respects County, and any insurance or self-insurance maintained by County shall not contribute to it.

Any failure to comply with the claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect the County's right to coverage afforded under the insurance policies.

The insurance policies may provide coverage that contains deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall not be applicable with respect to the coverage provided to County under such policies. Contractor shall be solely responsible for the deductible and/or self-insured retention and County, at its option, may require Contractor to secure payment of such deductibles or self-insured retentions by a surety bond or an irrevocable and unconditional letter of credit.

County reserves the right to request and to receive, within a reasonable time frame, ~~certified~~ copies of any or all of the herein required insurance policies and/or endorsements. County shall not be obligated, however, to review such policies and/or endorsements or to advise Contractor of any deficiencies in such policies and endorsements, and such receipt shall not relieve Contractor from, or be deemed a waiver of County's right to insist on strict fulfillment of Contractor's obligations under this Contract.

~~The insurance policies required by this Contract, except Workers' Compensation, and Errors and Omissions, shall name County, its agents, representatives, officers, directors, officials and employees as Additional Insureds.~~

~~The Commercial General Liability~~ policies required hereunder, ~~except Workers' Compensation, and Errors and Omissions~~ shall contain a waiver of transfer of rights of recovery (subrogation) against County, its agents, representatives, officers, directors, officials and employees for any claims arising out of Contractor's work or service.

Contractor is required to procure and maintain the following coverages:

3.5.1 Commercial General Liability:

Commercial General Liability insurance and, if necessary, Commercial Umbrella insurance with a limit of not less than \$1,000,000 for each occurrence, \$2,000,000 Products/Completed Operations Aggregate, and \$2,000,000 General Aggregate Limit. The policy shall include coverage for bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage, and shall not contain any provision which would serve to limit third party action over claims.

3.5.2 Automobile Liability:

Commercial/Business Automobile Liability insurance and, if necessary, Commercial Umbrella insurance with a combined single limit for bodily injury and property damage of not less than \$1,000,000 each occurrence with respect to any of the Contractor's owned, hired, and non-owned vehicles assigned to or used in performance of the Contractor's work or services under this Contract.

3.5.3 Workers' Compensation:

Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Contractor's employees engaged in the performance of the work or services under this Contract; and Employer's Liability insurance of not less than \$1,000,000 for each accident, \$1,000,000 disease for each employee, and \$1,000,000 disease policy limit.

Contractor waives all rights against County and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the Workers' Compensation and Employer's Liability or commercial umbrella liability insurance obtained by Contractor pursuant to this Contract.

3.5.4 Errors and Omissions Insurance:

Errors and Omissions insurance and, if necessary, Commercial Umbrella insurance, which will insure and provide coverage for errors or omissions of the Contractor, with limits of no less than \$2,000,000 for each claim.

3.5.5 Certificates of Insurance.

3.5.5.1 Prior to commencing work or services under this Contract, Contractor shall furnish the County with certificates of insurance, or formal endorsements as required by the Contract in a form approved by the County, issued by Contractor's insurer(s), as evidence that policies providing the required coverage, conditions and limits required by this Contract are in full force and effect. Such certificates shall identify this contract number and title.

In the event any insurance policy (ies) required by this contract is (are) written on a "claims made" basis, coverage shall extend for two years past completion and acceptance of **Contractor's** work or services and as evidenced by annual Certificates of Insurance.

If a policy does expire during the life of the Contract, a renewal certificate must be sent to **County** fifteen (15) days prior to the expiration date.

3.5.5.2 Cancellation and Expiration Notice.

Insurance required herein shall not be permitted to expire, be canceled, or materially changed without **CONTRACTOR endeavoring to provide** thirty (30) days prior written notice to the County.

3.6 PROCUREMENT CARD ORDERING CAPABILITY:

It is the intent of Maricopa County to utilize a procurement card that may be used by the County from time to time, to place and make payment for orders under the Contract. Respondents without this capability may be considered non-responsive and not eligible for award consideration.

3.7 NO GUARANTEED QUANTITIES.

The Respondent understands and hereby acknowledges that the County makes no representations nor guarantees the Respondent any minimum or maximum number of units of service to be provided under this Contract

3.8 ORDERING AUTHORITY.

3.8.1 Respondents should understand that any request for purchase of materials or services shall be accompanied by a valid purchase order, issued by Materials Management, or by a Certified Agency Procurement Aid (CAPA).

3.8.2 Maricopa County departments, cities, other counties, schools and special districts, universities, nonprofit educational and public health institutions may also purchase from under this Contract at their discretion and/or other state and local agencies (Customers) may procure the products under this Contract by the issuance of a purchase order to the Respondent. Purchase orders must cite the Contract number.

3.8.3 Contract award is in accordance with the Maricopa County Procurement Code. All requirements for the competitive award of this Contract have been met. A purchase order for the products is the only document necessary for Customers to purchase and for the Respondent to proceed with delivery of materials available under this Contract.

3.8.4 Any attempt to represent any product not specifically awarded under this Contract is a violation of the Contract. Any such action is subject to the legal and contractual remedies available to the County, inclusive of, but not limited to, Contract cancellation, suspension and/or debarment of the Respondent.

3.9 INQUIRIES AND NOTICES:

All inquiries concerning information herein shall be addressed to:

MARICOPA COUNTY
DEPARTMENT OF MATERIALS MANAGEMENT
ATTN: CONTRACT ADMINISTRATION
320 W. LINCOLN ST.
PHOENIX, AZ 85003

Administrative telephone inquiries shall be addressed to:

STAN FISHER, SENIOR PROCUREMENT OFFICER, 602-506-3274
(sfisher@mail.maricopa.gov)

Technical telephone inquiries shall be addressed to:

Peter Crowley, Manager, Risk Management, 502-506-8226
(pcrowley@mail.maricopa.gov)

Inquiries may be submitted by telephone but must be followed up in writing. No oral communication is binding on Maricopa County.

3.10 EVALUATION CRITERIA.

3.10.1 The evaluation of Bids will be based on, but will not be limited to, the following:

3.10.1.1 Full Compliance with specifications stated herein, and submission of all required submittal documents.

3.10.1.2 Price.

3.10.1.3 Determination of Responsibility.

3.10.2 The County reserves the right to award in whole or in part, by item or group of items, by section or geographic area, or make multiple awards, where such action serves the County's best interest.

3.11 SUBMISSION PRICE CLARITY.

For reasons of clarity all submissions of pricing (Attachment A) shall be priced in the same unit (size, volume, quantity, weight, etc.) as the bid specifications request. Submissions (bids) failing to comply with this requirement may be declared non-responsive.

3.12 INSTRUCTIONS FOR PREPARING AND SUBMITTING BIDS.

Respondents shall provide one (1) original hardcopy (labeled), and two (2) hardcopy copies and one (1) electronic copy, including pricing (Attachment A shall be in Excel format, NO pdf files), on CD. Respondents are to identify their responses with the bid serial number, title and return address to Maricopa County, Department of Materials Management, 320 West Lincoln, Phoenix, Arizona 85003. **The owner, corporate official or partner who has been authorized to make such commitments must sign bids.**

3.13 RESPONDENT REVIEW OF DOCUMENTS.

The Respondent must review its Bid submission to assure the following requirements are met.

3.13.1 **Mandatory:** One (1) original hardcopy (labeled), two (2) hardcopy copies of their bid, inclusive of all required submissions, and one (1) electronic copy (*Excel format only*) of pricing on a CD;

3.13.2 **Mandatory:** Attachment "A", Pricing (**Excel format only**);

3.13.3 **Mandatory:** Attachment "B", Agreement; and

3.13.4 **Mandatory:** Attachment "C", References.

3.14 POST AWARD MEETING:

The successful Respondent(s) may be required to attend a post-award meeting with the Using Agency to discuss the terms and conditions of the Contract. This meeting will be coordinated by the Procurement Officer of the Contract.

ARTHUR J. GALLAGHER & CO., 426 N 44TH STREET, SUITE 320, PHOENIX, AZ 85008

PRICING SHEET NIGP 9186901, 9624701

WILLING TO ACCEPT FUTURE SOLICITATIONS VIA EMAIL: YES NO

ACCEPT PROCUREMENT CARD: YES NO

1.0 PRICING:

<u>Item Description</u>	<u>Yearly Compensation/Fees</u>	
1.1 INSURANCE BROKER CONTRACT SERVICES	<u>Year 1</u>	<u>\$ 55,000</u>
(Compensation/fees for Year 1, Year 2 and Year3)		
In full compliance with the requirements of this solicitation:	<u>Year 2</u>	<u>\$ 57,000</u>
	<u>Year 3</u>	<u>\$ 59,000</u>

1.2 Post below the address/location of your full service Maricopa County office:

426 N. 44th Street, Suite 320, Phoenix, AZ 85008

Terms: Net 30

Vendor Number: W000009160 X

Telephone Number: 602-244-2233 or 602-531-7993 (Cell)

Fax Number: 602-244-2242

Contact Person: Steven Beck

E-mail Address: steven_beck@ajg.com

Company Web Site: www.ajg.com

Contract Period: To cover the period ending **June 30, 2010.**