



Legislation Details (With Text)

File #: 080254. **Version:** 0 **Name:** Selection of Marsh USA, Inc. as the City of Gainesville's Property and Casualty Broker/Agent (B)
Type: Staff Recommendation **Status:** Passed
File created: 8/21/2008 **In control:** City Manager
On agenda: **Final action:** 8/21/2008
Title: Selection of Marsh USA, Inc. as the City of Gainesville's Property and Casualty Broker/Agent (B)

This item involves a request for the City Commission to approve the rankings of the competitive bid process selecting Marsh USA, Inc. as the City's property and casualty broker/agent.

Sponsors:

Indexes:

Code sections:

Attachments: 1. 080254_RFQ Cover Ltr_20080821 .pdf, 2. 080254a_Bid Award Info_20080821.pdf

Date	Ver.	Action By	Action	Result
8/21/2008	0	City Commission	Approved as Recommended	Pass

Selection of Marsh USA, Inc. as the City of Gainesville's Property and Casualty Broker/Agent (B)

This item involves a request for the City Commission to approve the rankings of the competitive bid process selecting Marsh USA, Inc. as the City's property and casualty broker/agent.

The City of Gainesville recently requested qualifications from property, liability and workers compensation insurance agents for marketing and placement of its property, liability and workers compensation insurance/self-insurance program. Additional services requested included loss control and risk management consulting. The City received three qualified responses to the Request for Proposals and committee made up of staff evaluated the proposals based several factors, including but not limited to: price, agent and key person qualifications and experience, agency premium volume, range of services available, experience with accounts of similar complexity, including public entities, commitment to service the City's account, agent/agency remuneration, insurance market preferences, agency clout, negotiation experience and references. Based on the criteria specified in the RFP staff scored and ranked the responders as follows:

<u>Firm Name</u>	<u>Score</u>	<u>Rank</u>
Marsh USA, Inc.	280	1
Wachovia Insurance	245	2
Gallagher Risk Management	234	3

In addition to providing the best response to the RFP, Marsh has provided the City and Gainesville Regional Utilities with superior service since October 2005. Over their initial contract period, the City has recognized continued reductions in the cost of insurance and received considerable input related to the major construction projects initiated by GRU during that time period. The annual reduction in premiums paid totaled approximately \$700,000 during last year's insurance renewal.

The City engaged Waters Risk Management, which specializes in independent risk management consulting for public entities and does not sell or broker insurance, to prepared the City's Request for Proposals (RFP) and facilitate with the review and ranking of the responders. The report issued by Waters Risk Management concurred with staff's rankings and is attached as backup.

Funds in the amount of \$180,000 are included in the Fiscal Year 2008-2009 General Insurance Fund budget and represent the fee associated with the Risk Management Consulting and Insurance Marketing and Placement services requested by the City.

The City Commission: 1) approve the ranking of the responders; and 2) authorize the City Manager or his designee to negotiate an agreement with the top ranked firm for a period of three years with two annual extensions, subject to approval of the City Attorney as to form and legality. If an agreement cannot be reached with the top ranked firm, authorize the City Manager or his designee to initiate negotiations with the next ranked firm, continuing through the rankings until an agreement is reached.