

**CITY OF AUSTIN
PURCHASING OFFICE
PROPOSAL PREPARATION INSTRUCTIONS AND EVALUATION FACTORS
SOLICITATION NUMBER: RFP JRD0304**

PROPOSAL SCHEDULE:

RFP Issued	March 9, 2015
Market Assignment Forms Due	March 24, 2015
Assignment Determined	March 27, 2015
Pre-proposal Conference	April 8, 2015
Inspection Tour	April 8, 2015
Proposals Due	April 24, 2015

PRE-PROPOSAL AND VOLUNTARY INSPECTION TOUR:

The City is interested in reviewing insurance quotations in order to obtain the most advantageous insurance coverage and provisions available in the marketplace. The airport liability coverage offered in this proposal shall be effective on **August 1, 2015**. **The pre-proposal conference will be on Wednesday, April 8, 2015 at 11:00 a.m. at 2716 Spirit of Texas Drive, Austin, TX, 78719, Room 160 (the Airport Administration building).**

The voluntary Insurance Carrier Inspections shall be conducted Wednesday, April 8, 2015 from 1:00 p.m. to 4:00 p.m. at 2716 Spirit of Texas Drive, Austin, TX, 78719, Room 160. Carriers shall be limited to no more than three (3) representatives attending the inspection, and all participants are required to have valid government issued identification.

1. PROPOSAL FORMAT

Prefacing the proposal, the Proposer shall provide an Executive Summary of three (3) pages or less, which gives in brief, concise terms, a summation of the proposal. The proposal itself shall be organized in the following format and informational sequence:

A. Part I – Provider Qualifications:

- i. Provide information regarding the history, organization, and service structure of the carrier(s) providing quotations. Indicate the location of the underwriting office and the claims services office. Provide a resume of the lead underwriter and lead claims adjuster detailing their experience with aviation and airport liability underwriting and claims handling risks.
- ii. Provide information regarding the history and experience of the agent/broker firm providing services. Indicate location of the office and agency experience with airport liability insurance accounts of a size similar to the City's.
- iii. Provide financial data for the carrier(s). Acceptable information would include a current Best's Rating, Standard & Poor's Rating, financial statements and/or annual reports.
- iv. For each carrier proposing coverage provide a list of current Texas and out-of-state policy holders with exposures analogous to those of ABIA including aviation exposures of governmental entities.

B. Part II – Coverage and Limits:

City of Austin Aviation is interested in reviewing the most affordable and comprehensive coverage options in order to obtain a package of coverage that will be most beneficial for ABIA.

- i. Minimum Coverage Requirements: ABIA requires at a minimum, quotes to contain the basic coverage provisions identified in the 0500, Scope of Work, and comprehensive coverage for the nature of the operations present at an airport of this size and with the operations currently residing there.
- ii. Minimum Limits: Quotes should, at a minimum, be offered the limits requested on the **Airport Liability Quote Sheet (0600B Quote Sheet)**.

**CITY OF AUSTIN
PURCHASING OFFICE
PROPOSAL PREPARATION INSTRUCTIONS AND EVALUATION FACTORS
SOLICITATION NUMBER: RFP JRD0304**

iii. Submission Requirements:

- (1) Proposers providing coverage quotations **must** complete the attached Airport Liability Quote Sheet for each carrier(s) quotation. **(0600B Quote Sheet)**
- (2) Attach a sample policy form and endorsements for the carrier quoting the coverage.
- (3) Highlight important exclusions, restrictions and conditions that will be found in the coverage you are proposing.
- (4) Aviation is interested in reviewing alternate coverage options. Utilizing your experience and expertise in providing coverage for entities like the airport provide any alternate quotations/options you feel the department of Aviation should consider based upon the exposures present at ABIA.

C. Part III – Claims Handling Services:

- i. Describe in detail the carrier's philosophy with regard to claim and litigation management. Also describe the carrier's practices and decision making criteria with regard to handling claims that fall under the Texas Tort Claims Act. Identify who retains the oversight and control of claims.
- ii. For each carrier, provide a resume of the adjuster(s) who will be responsible for handling ABIA claims. Include information related to claims handling for governmental entities and experience in the application of the Texas or other states' Tort Claims Act.
- iii. Describe in detail loss reporting requirements and claims notification processes as well as defense counsel selection that will be used should the proposed carrier be awarded this procurement.
- iv. Describe the adjuster's response time should a serious claim occur and what services the City shall be provided when a serious liability claim arises.

D. Part IV – Risk Control/Risk Assessment Services:

- i. Identify the firm that shall be conducting the annual Liability Risk Assessment and provide detail with regard to the history and service structure of the risk assessment firm. Indicate the location of the office.
- ii. Provide a resume of the risk assessment personnel that will be assigned to our account.
- iii. Provide a sample report in the format and with the depth and breadth that City shall be receiving.
- iv. If there are other services available to the Airport, please describe these services and provide general costs that would be associated with them.

E. Part V – Premiums Quoted:

- i. The proposal has provided details regarding the expansion of operations at the Austin Bergstrom International Airport over the next several years. Given the expansion details, with all other underwriting details being equal, what annual projection can you provide with regard to the percentage of increase in the premium that the City might expect based on the growth of the operation?
- ii. Is the carrier providing a formal "No Claims Bonus on Renewal"? If so, please provide specific details as to the application of the bonus, how it is calculated, and if it is guaranteed or not throughout the contract renewal terms of this procurement.

**CITY OF AUSTIN
PURCHASING OFFICE
PROPOSAL PREPARATION INSTRUCTIONS AND EVALUATION FACTORS
SOLICITATION NUMBER: RFP JRD0304**

F. **Part VI:** Place all required City forms except the Airport Liability Quote Sheet(s) in this section.

G. **Part VII - Non-Collusion, Non-Conflict of Interest, and Anti-Lobbying:**

i. Proposers, including their officers, owners, agents, representatives, subconsultants, employees, or parties in interest:

(1) shall not in any way collude, conspire or agree, directly or indirectly, with any person, firm, corporation or other Proposer or potential Proposer in regard to the amount of their proposal or the terms or conditions of their proposal.

(2) shall not pay, or agree to pay, directly or indirectly any person, firm, corporation or other Proposer or potential Proposer, any money or anything of value in return for assistance in procuring or attempting to procure a contract or in return for fixing the prices in the proposal or the proposal of any other Proposer. Proposers shall not pay money or anything of value in the future for these purposes.

(3) shall certify that none of the deciding factors set forth in the request for proposal or in the subsequent agreement were their idea or the idea of anyone representing their company, unless the suggestion was made at a meeting open to all Proposers, which all Proposers had notice of.

(4) must attest that they had no involvement in the development, preparation, evaluation, or other decision making process for this solicitation, and that should the Proposer receive a contract award in response to their proposal, no agent, representative, consultant or subconsultant affiliated with the Proposer, who may have been involved in the development, preparation or evaluation or other decision making process for this solicitation, will have any financial interest, direct or indirect, in said contract.

(5) must state that there are no other potential or actual conflicts of interest regarding this solicitation.

(6) shall certify that no officer or stockholder of their company is an employee of the City of Austin, or an employee of any elected official of the City, or is related to any employee or elected official of the City of Austin.

(7) shall not have undertaken or will not undertake any activities or actions to promote or advertise their proposal to any member of any City Commission reviewing the proposals, member of the Austin City Council or City staff except in the course of City-sponsored inquiries, briefings, interviews or presentations between the date that the Request for Proposal was issued and the date of award by City Council.

ii. Proposers shall sign and return with their proposal, the affidavit of Non-Collusion, Non-Conflict of Interest, and Anti-Lobbying located in section 0805 herein.

H. **Part VIII - Proposal Acceptance Period:** All proposals are valid for a period of one hundred and twenty (120) calendar days subsequent to the RFP closing date unless a longer acceptance period is offered in the proposal

I. **Part IX - Proprietary Information:** All material submitted to the City becomes public property and is subject to the Texas Open Records Act upon receipt. If a Proposer does not desire proprietary information in the proposal to be disclosed, each page must be identified and marked proprietary at time of submittal. The City will, to the extent allowed by law, endeavor to protect such information from disclosure. The final decision as to what information must be disclosed, however, lies with the Texas Attorney General. Failure to identify proprietary information will result in all unmarked sections being deemed non-proprietary and available upon public request.

**CITY OF AUSTIN
PURCHASING OFFICE
PROPOSAL PREPARATION INSTRUCTIONS AND EVALUATION FACTORS
SOLICITATION NUMBER: RFP JRD0304**

J. **Part X - Authorized Negotiator:** Include name, address, and telephone number of person in your organization authorized to negotiate contract terms and render binding decisions on contract matters.

2. **EXCEPTIONS:**

Be advised that exceptions to any portion of the Solicitation may jeopardize acceptance of the Proposal.

3. **PROPOSAL PREPARATION COSTS:**

All costs directly or indirectly related to preparation of a response to the RFP or any oral presentation required to supplement and/or clarify a proposal which may be required by the City shall be the sole responsibility of the Proposer.

4. **EVALUATION FACTORS AND AWARD:**

A. **Competitive Selection:** This procurement will comply with applicable City of Austin Policy. The successful Proposer will be selected by the City on a rational basis. Evaluation factors outlined in Paragraph b below shall be applied to all eligible, responsive Proposers in comparing proposals and selecting the successful Proposer. Award of a contract may be made without discussion with Proposers after proposals are received. Proposals should, therefore, be submitted on the most favorable terms.

B. **Evaluation Factors:** 100 points total

- i. **Carrier/Producer Qualifications.** Including financial strength of the carrier, expertise at underwriting large airport exposures, organizational and service structure, and experience with analogous accounts. **15 Points**

- ii. **Coverage Provisions, Limits and Sublimits, deductibles and restrictions.** Coverage and limits provided, number and amount of restrictions impacting coverage, ability to provide contingent coverage enhancements, customer service philosophy, structure of defense costs. **30 Points**

- iii. **Claims Handling Processes/Expertise.** Including carrier requirements for loss reporting, in-house expertise, claims philosophy, defense practices and claims handling processes within the deductible and preferable to the City. Ability to follow Texas Tort Claims Act and written notification to City. **15 Points**

- iv. **Risk Control/Risk Assessment services.** Complexity and thoroughness of Assessment, scope and breadth of assessment, experience of personnel conducting assessment, and scope and breadth of report provided to ABIA. **10 Points**

- v. **Premiums Quoted.** Competitive quotes received. **30 Points**

- vi. The City will score proposals on the basis of item 1-5 above. The City may select a "short list" of Proposers based on those scores. "Short-listed" Proposers may be invited for interviews with the City. **Maximum 25 points**

**CITY OF AUSTIN
PURCHASING OFFICE
QUOTE SHEET
SOLICITATION NUMBER: RFP JRD0304**

Proposers submitting a quote must complete a separate quote sheet for each carrier they are representing. Please do not leave any item blank. If an item is not applicable indicate this with an "N/A."

1. Primary Carrier quoting the coverage:

- a. Current A.M. Best Rating:
- b. Is the carrier admitted and licensed to write business in Texas?
- c. Is the carrier registered with Texas as an approved surplus lines carrier?
- d. Is the premium guaranteed for more than one year?

COVERAGE	INDICATE LIMIT BEING QUOTED AND/OR 'YES' OR 'NO' FOR PROVISIONS
Liability Per Occurrence for Bodily Injury, Property Damage combined single limit per occurrence arising from the insureds premises and operations including mobile equipment and automotive equipment while on the insured's premise or adjoining ways.	<input type="checkbox"/> YES <input type="checkbox"/> NO
Boards and Commissions subsidiary agencies and all of the members, officers, servants, volunteer workers, officials, and employees with respect to liability arising out of the activities of the named insured or activities performed on behalf of the named insured or activities including the airport manager while acting within the scope of his/her duties.	<input type="checkbox"/> YES <input type="checkbox"/> NO
Products/Co Ops annual aggregate	<input type="checkbox"/> YES <input type="checkbox"/> NO
Medical Expense	<input type="checkbox"/> YES <input type="checkbox"/> NO
Malpractice annual aggregate	<input type="checkbox"/> YES <input type="checkbox"/> NO
Fire Damage Limit any one Fire	<input type="checkbox"/> YES <input type="checkbox"/> NO
Personal and Advertising Injury annual aggregate	<input type="checkbox"/> YES <input type="checkbox"/> NO
Auto (on premises)	<input type="checkbox"/> YES <input type="checkbox"/> NO
Auto Excess Liability Off Premises -- any one Accident/Occurrence and in the Annual Aggregate excess the primary	<input type="checkbox"/> YES <input type="checkbox"/> NO
Baggage Liability	<input type="checkbox"/> YES <input type="checkbox"/> NO
Blanket Contractual Liability	<input type="checkbox"/> YES <input type="checkbox"/> NO
Cancellation	<input type="checkbox"/> YES <input type="checkbox"/> NO
Contingent Air Show Liability	<input type="checkbox"/> YES <input type="checkbox"/> NO
Contingent Liquor Liability	<input type="checkbox"/> YES <input type="checkbox"/> NO
Control Tower-Contingent	<input type="checkbox"/> YES <input type="checkbox"/> NO
Damage to Autos	<input type="checkbox"/> YES <input type="checkbox"/> NO
Discrimination	<input type="checkbox"/> YES <input type="checkbox"/> NO

**CITY OF AUSTIN
PURCHASING OFFICE
QUOTE SHEET
SOLICITATION NUMBER: RFP JRD0304**

Excess Employers Liability (excluding disease) of any one Accident/Occurrence	<input type="checkbox"/> YES <input type="checkbox"/> NO
Fellow Employee Exclusion	<input type="checkbox"/> YES <input type="checkbox"/> NO
Garagekeepers	<input type="checkbox"/> YES <input type="checkbox"/> NO
Hangarkeepers Limit (not in flight) Any One Occ/Any One Aircraft to include incidental control of aircraft which the insured shall become legally obligated to pay as damages because of injury to or destruction of any aircraft which is the property of others.	<input type="checkbox"/> YES <input type="checkbox"/> NO
Immunity Waiver	<input type="checkbox"/> YES <input type="checkbox"/> NO
Inadvertent failure to report	<input type="checkbox"/> YES <input type="checkbox"/> NO
Independent Contractors coverage	<input type="checkbox"/> YES <input type="checkbox"/> NO
Knowledge of Occurrence	<input type="checkbox"/> YES <input type="checkbox"/> NO
Land Acquisition Endorsement	<input type="checkbox"/> YES <input type="checkbox"/> NO
Mutual Aid Agreements	<input type="checkbox"/> YES <input type="checkbox"/> NO
National Incident Management System Response Plan	<input type="checkbox"/> YES <input type="checkbox"/> NO
Non-Owned Aircraft Liability any One Occurrence	<input type="checkbox"/> YES <input type="checkbox"/> NO
Passenger Misdirection	<input type="checkbox"/> YES <input type="checkbox"/> NO
Physical Damage to Non Owned Aircraft	<input type="checkbox"/> YES <input type="checkbox"/> NO
Pollution or Contamination of products sold or supplied	<input type="checkbox"/> YES <input type="checkbox"/> NO
Pollution Coverage including noise.	<input type="checkbox"/> YES <input type="checkbox"/> NO
Static Display of Aircraft	<input type="checkbox"/> YES <input type="checkbox"/> NO
Volunteers included as Employees	<input type="checkbox"/> YES <input type="checkbox"/> NO
Texas Tort Liability Claims Act Endorsement including language prohibiting the carrier to pay claims exceeding the amount indicated by law without first providing written notice and consent from the City.	<input type="checkbox"/> YES <input type="checkbox"/> NO
Cancellation Provision of 120 days except 10 days for Non-payment	<input type="checkbox"/> YES <input type="checkbox"/> NO
Compliance with all Minimum Requirements identified in Section 4.1 of the 0500 Scope of Work section of this RFP	<input type="checkbox"/> YES <input type="checkbox"/> NO
Can carrier guarantee a premium quote for multiple years?	<input type="checkbox"/> YES <input type="checkbox"/> NO

**CITY OF AUSTIN
PURCHASING OFFICE
QUOTE SHEET
SOLICITATION NUMBER: RFP JRD0304**

2. **Premium Quotations:** The City is requesting quotes at different Limits of Liability. Proposers can quote any or all options and can also propose alternative options The City desires to review quotes with the ability to determine the final scope of coverage by adding premium charges for coverage enhancements to a defined base premium.

Option 1
Limit of Liability \$25,000,000 each occurrence
Deductible \$10,000/\$100,000 Annual Aggregate Deducible

City handling claims within the deductible

Premium Based on Provisions Indicated Above:

List Optional coverage enhancements which can be provided for an additional premium:

War, Hi-Jacking and other perils Liability Limit:	Premium:
TRIA Limit:	Premium:

Option 2
Limit of Liability \$25,000,000 each occurrence
Deductible \$500,000/\$2,000,000 Annual Aggregate Deducible

City handling claims within the deductible

Premium Based on Provisions Indicated Above:

List Optional coverage enhancements which can be provided for an additional premium:

War, Hi-Jacking and other perils Liability Limit:	Premium:
TRIA Limit:	Premium:

Option 3
Limit of Liability \$50,000,000 each occurrence
Deductible \$10,000/\$100,000 Annual Aggregate Deducible

City handling all claims within the deductible

Premium Based on Provisions Indicated Above:

List Optional coverage enhancements which can be provided for an additional premium:

War, Hi-Jacking and other perils Liability Limit:	Premium:
TRIA Limit:	Premium:

Option 4
Limit of Liability \$50,000,000 each occurrence
Deductible \$500,000/\$2,000,000 Annual Aggregate Deducible

City handling all claims within the deductible

Premium Based on Provisions Indicated Above:

List Optional coverage enhancements which can be provided for an additional premium:

War, Hi-Jacking and other perils Liability Limit:	Premium:
TRIA Limit:	Premium:

**CITY OF AUSTIN
PURCHASING OFFICE
QUOTE SHEET
SOLICITATION NUMBER: RFP JRD0304**

Option 5

Limit of Liability \$100,000,000 each occurrence
Deductible \$10,000/\$100,000 Annual Aggregate Deductible

City handling all claims within the deductible

Premium Based on Provisions Indicated Above:

List Optional coverage enhancements which can be provided for an additional premium:

War, Hi-Jacking and other perils Liability Limit:	Premium:
TRIA Limit:	Premium:

Option 6

Limit of Liability \$100,000,000 each occurrence
Deductible \$500,000/\$2,000,000 Annual Aggregate Deductible

City handling all claims within the deductible

Premium Based on Provisions Indicated Above:

List Optional coverage enhancements which can be provided for an additional premium:

War, Hi-Jacking and other perils Liability Limit:	Premium:
TRIA Limit:	Premium: