

COMMITTEE OF THE WHOLE APRIL 18,2006

CITY OF VAUGHAN INSURANCE COVERAGE 2006-2007

Recommendation

The City Clerk recommends:

That staff be directed to proceed with a Request For Proposal (RFP) for the City's insurance coverage: and

That staff be authorized to retain Risk Pro-Risk Management Consultant to assist in the preparation and review of the RFP and submissions thereof, to be funded by the insurance reserve.

Economic Impact

None

Purpose

To seek authorization to issue an RFP for the City's insurance coverage for the 2006-2007 period and to retain a consultant to review the submissions and provide an opinion as to which submissions best meet the City's insurance needs.

Background - Analysis and Options

The City's insurance coverage for the period 2005-2006 (expiration June 30,2006) is presently placed with Frank Cowan Company Limited, hereinafter referred to as "Cowan". The last Request for Proposal for insurance coverage was issued in May 2004 for the 2004-2005 insurance period. At the time only two proposals were received. The successful bidder was Cowan Insurance. The policy provided the City with an option to renew its policy for two additional, one-year periods, on a year-to-year basis depending on quality of service, mutual agreement and annual premium negotiations between Cowan and the City.

For the 2005-2006 renewal process Council adopted the report of City Clerk dated June 8,2005, recommending that the option to renew the contract of insurance with Cowan for a further one year period, be exercised. As stated above this expires on June 30,2006.

To ensure that the City continues to receive the best possible coverage at a fair and equitable premium, staff is proposing that an RFP be issued at this time.

In order to properly assess submissions made through the RFP process, staff is recommending that a thorough analysis be conducted. Staff does not have the necessary expertise to properly conduct such an assessment. Accordingly, staff is proposing that Risk Pro-Risk Management Consultant be appointed to conduct the analysis as was done when the previous RFP was issued. This company is familiar with Vaughan's insurance program and conducted a similar analysis for the 2004-2005 insurance proposal.

Relationship to Vaughan Vision 2007

This report is consistent with the priorities previously set by Council ensuring long-term financial stability with respect to insurance services.

Conclusion

It is appropriate at this time to issue an RFP for the City's insurance requests to ensure the City is obtaining the best possible coverage at the fairest rates.

Attachments

None

Report prepared by:

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Respectfully submitted,

John D. Leach
City Clerk