

COMMITTEE OF THE WHOLE MAY 20, 2008

RFP08-033 CITY OF VAUGHAN GENERAL INSURANCE AND RISK MANAGEMENT SERVICES PROGRAM

Recommendation

The Commissioner of Legal and Administrative Services and City Solicitor, in consultation with the Director of Purchasing Services and Manager of Special Projects, Licensing & Permits-Risk Management recommends:

1. That the RFP be awarded to Frank Cowan Company Limited to provide General Insurance and Risk Management Services for the period of July 1, 2008 to June 30, 2009 for an annual premium for insurance at \$1,283,677 plus applicable taxes.
2. That the City Clerk be authorized to renew the said contract on a year to year basis for a maximum period of two years depending upon quality of service, mutual agreement and annual premium negotiations.
3. That the Mayor and Clerk be authorized to sign the necessary documents.

Economic Impact

None – Sufficient monies have been budgeted to cover the cost of insurance for the 2008-2009 period.

Communications Plan

None

Purpose

The purpose of this report is obtain Council authorization to award a contract to Frank Cowan Company Limited to provide General Insurance and Risk Management Services for an annual premium of \$1,283,677 plus applicable taxes.

Background - Analysis and Options

At the Council meeting of November 26, 2007, the City Clerk was directed to issue a Request for Proposal for the City's insurance coverage. In addition, the Clerk was authorized to retain the services of a consultant to review insurance submissions.

A Request For Proposal RFP-08-033 for General Insurance and Risk Management Services Program was advertised in the Vaughan Citizen, on the Ontario Public Buyers Association web site, and on the Electronic Tendering Network (ETN) on February 21, 2008 with a closing of 3:00 p.m. April 03, 2008. Two addendums were issued to clarify queries and questions. A total of nine (9) companies picked up the proposal. Three (3) proposals were received from, Frank Cowan Company Limited, BFL Ontario Inc. and Gallagher Lambert Group.

The three proposal submissions were evaluated by the City's Selection Committee on April 17, 2008. The Committee consisted of City Staff and an independent risk management and insurance consulting firm, engaged by the City to assist in the process. The proponents' proposals were examined and evaluated using the following criteria pre-established by the City provided in the RFP package.

Product - 35 points
Meeting the Request for Proposal Specifications
Scope of Coverage
Enhancements

Services - 20 points
Insurance Administration
Risk Management
Claims Management

Qualifications - 20 points
Proponent Experience
Team Expertise
Financial Stability of Insurers

Price - 25 points
Annual Cost
Added Value

Frank Cowan Company Limited was identified as the highest scorer and best qualified to carry out the contract, based on the Committee's evaluation of the proposal submissions. It was concluded that it would be in the best interest of the City to retain Frank Cowan Company Limited as its insurance provider for the period of July 1, 2008 to June 30, 2009. The proposal submitted by Frank Cowan Company Limited sets an annual premium for insurance at \$1,283,677 plus applicable taxes.

Relationship to Vaughan Vision 2020

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

Regional Implications

None

Conclusion

It is recommended that the contract for the City's insurance coverage be awarded to Frank Cowan Company Limited for the period of July 1, 2008 to June 30, 2009 for an annual cost of \$1,283,677 plus applicable taxes, with two, one year extensions subject to performance and negotiation of premiums.

Attachments

N/A

Report prepared by:

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Respectfully submitted,

Janice Atwood-Petkovski
Commissioner of Legal and Administrative Services