

REQUEST FOR LEGISLATIVE ACTION



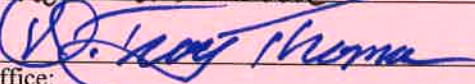
Completed by County Counselor's Office:

Res/~~Ord~~ No.: 18608

Sponsor(s): Theresa Garza Ruiz

Date: September 15, 2014

SUBJECT	<p>Action Requested <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Ordinance</p> <p>Project/Title: <u>Awarding a Twelve Month Term and Supply Contract with Three Twelve Month Options to Extend for the furnishing of Broker to Provide Property Insurance for the Finance and Purchasing Department to Lockton Companies of Kansas City, Missouri, as Broker for Travelers; under the terms and conditions of Invitation to Bid No. 57-14.</u></p>																		
BUDGET INFORMATION <i>To be completed By Requesting Department and Finance</i>	<table border="1"> <tr> <td>Amount authorized by this legislation this fiscal year:</td> <td></td> <td>\$</td> </tr> <tr> <td>Amount previously authorized this fiscal year:</td> <td></td> <td>\$</td> </tr> <tr> <td>Total amount authorized after this legislative action:</td> <td></td> <td>\$</td> </tr> <tr> <td>Amount budgeted for this item * (including transfers):</td> <td></td> <td>\$</td> </tr> <tr> <td>Source of funding (name of fund) and account code number; FROM / TO</td> <td>FROM ACCT</td> <td></td> </tr> <tr> <td></td> <td>TO ACCT</td> <td></td> </tr> </table> <p>* If account includes additional funds for other expenses, total budgeted in the account is: \$</p>	Amount authorized by this legislation this fiscal year:		\$	Amount previously authorized this fiscal year:		\$	Total amount authorized after this legislative action:		\$	Amount budgeted for this item * (including transfers):		\$	Source of funding (name of fund) and account code number; FROM / TO	FROM ACCT			TO ACCT	
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	<p>OTHER FINANCIAL INFORMATION:</p> <p><input type="checkbox"/> No budget impact (no fiscal note required) <input checked="" type="checkbox"/> Term and Supply Contract (funds approved in the annual budget); estimated value and use of contract: Department: Finance and Purchasing Estimated Use: \$552,191.00</p> <p>Requesting approval by the Legislature of the Term and Supply Contract; the funds were already appropriated through the annual budget adoption. Estimated use figures are for informational purposes only.</p> <p>Prior Year Budget (if applicable): \$511,475.00 Prior Year Actual Amount Spent (if applicable): \$635,161.00</p> <p>*The premium values were increased in November 2013 due to the appraisals of the stadiums and the hospital.</p>																		
PRIOR LEGISLATION	<p>Prior ordinances and (date): Prior resolutions and (date): 17367, September 13, 2010</p>																		
CONTACT INFORMATION	<p>RLA drafted by (name, title, & phone): Anessa Culbertson, Senior Buyer, 881-3465</p>																		
REQUEST SUMMARY	<p>The Finance and Purchasing Department requires a bid for Broker to Provide Property Insurance due to the current contract expiring. Purchasing issued Invitation to Bid No. 57-14 in response to those requirements.</p> <p>A total of 24 notifications were distributed with three responses received and evaluated; of those one was considered non-responsive.</p> <table border="1"> <thead> <tr> <th>BIDDER</th> <th>ANNUAL PREMIUM</th> <th>DEDUCTIBLE</th> </tr> </thead> <tbody> <tr> <td>Lockton Companies, Kansas City, MO</td> <td></td> <td></td> </tr> <tr> <td>Broker for Travelers</td> <td>\$552,191</td> <td>\$150,000</td> </tr> <tr> <td>Broker for Zurich</td> <td>\$583,438</td> <td>\$150,000</td> </tr> </tbody> </table> <p>Pursuant to Section 1054.6 of the Jackson County Code, the Director of Finance and Purchasing recommends the award of a Twelve Month Term and Supply Contract for the furnishing of Broker to Provide Property Insurance to Lockton Companies of Kansas City, Missouri; under the terms and conditions of Invitation to Bid No. 57-14 and to the lowest and best bidder meeting specifications for each item.</p> <p>This award is made on an "as needed" basis and does not obligate Jackson County to pay any specific amount. The availability of funds for specific purchases is subject to annual appropriations.</p>	BIDDER	ANNUAL PREMIUM	DEDUCTIBLE	Lockton Companies, Kansas City, MO			Broker for Travelers	\$552,191	\$150,000	Broker for Zurich	\$583,438	\$150,000						
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CLEARANCE	<input checked="" type="checkbox"/> Tax Clearance Completed (Purchasing & Department) <input checked="" type="checkbox"/> Business License Verified (Purchasing & Department) <input checked="" type="checkbox"/> Chapter 6 Compliance - Affirmative Action/Prevailing Wage (County Auditor's Office)	
ATTACHMENTS	Abstract of Bids, Recap of Unit Prices and Memo from Celestine Williams, Risk Manager and pertinent bid documents from Lockton.	
REVIEW	Department Director: 	Date: 9/10/14
	Finance (Budget Approval): If applicable N/A 	Date: 9-9-14
	Division Manager: 	Date: 9/10/14
	County Counselor's Office:	Date:

Fiscal Information (to be verified by Budget Office in Finance Department)

- This expenditure was included in the annual budget.
- Funds for this were encumbered from the _____ Fund in _____.
- There is a balance otherwise unencumbered to the credit of the appropriation to which the expenditure is chargeable and there is a cash balance otherwise unencumbered in the treasury to the credit of the fund from which payment is to be made each sufficient to provide for the obligation herein authorized.
- Funds sufficient for this expenditure will be/were appropriated by Ordinance # _____
- Funds sufficient for this appropriation are available from the source indicated below.

Account Number:	Account Title:	Amount Not to Exceed:

- This award is made on a need basis and does not obligate Jackson County to pay any specific amount. The availability of funds for specific purchases will, of necessity, be determined as each using agency places its order.
- This legislative action does not impact the County financially and does not require Finance/Budget approval.

ABSTRACT OF BIDS

Res. 18608

BID NO: 57-14
 DATE: 8/26/14
 COMMODITY: Broker to Provide Property Insurance

NO	DESCRIPTION	UNIT	QTY	AMOUNT	Lockton	Marsh	AMOUNT	AMOUNT	AMOUNT	AMOUNT
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Total

\$ 552,191.00 per bid

CERTIFICATION OF BID OPENING
 BIDS WERE PUBLICLY
 OPENED AND RECORDED

ON: August 26, 2014, BY

CLERK OF THE LEGISLATURE

Marie Spino
Anna Culbert

Broker to Provide Property Insurance

	Annual Premium	Deductible
Locton Companies		
Broker for Travelers	\$552,191.00	\$150,000.00
Broker for Zurich	\$583,438.00	\$150,000.00
Marsh	No value	No value

From: Celestine I. Williams
Sent: Thursday, September 04, 2014 11:42 AM
To: Anessa Culbertson
Subject: RE: Bid No. 57-14

Our broker has recommended Traveler's and please include this in the RLA.

Thanks.

From: Anessa Culbertson
Sent: Thursday, September 04, 2014 11:38 AM
To: Celestine I. Williams
Subject: RE: Bid No. 57-14

Do you want me to put the \$552,191 for the estimated use for the Finance Department on the RLA though?

From: Celestine I. Williams
Sent: Thursday, September 04, 2014 11:35 AM
To: Anessa Culbertson
Subject: RE: Bid No. 57-14

Anessa,

I don't want to put which carrier in the agreement, because I want to go over this with the broker.

Thanks and if you have questions, call my cell 726-2708.

Celestine I. Williams
Audit Procedures Analyst/Risk Manager
Jackson County
415 East 12th Street
Kansas City, MO 64106
816-881-3202-Telephone
816-881-3877-Fax

From: Anessa Culbertson
Sent: Thursday, September 04, 2014 10:04 AM
To: Celestine I. Williams
Subject: RE: Bid No. 57-14

Can you also put in here that the County wants to use Traveler's because they had the lowest premium at \$552,191. Thank you.

From: Celestine I. Williams
Sent: Wednesday, September 03, 2014 6:01 PM
To: Anessa Culbertson
Subject: Bid No. 57-14

Anessa,

After review of the two proposals submitted for the subject bid, I have determined that Lockton Companies will be our Broker of Services for Property Insurance based upon the services and capabilities that have provided to Jackson County in their proposal.

If you need additional information, please let me know.

Thanks.

Celestine I. Williams
Audit Procedures Analyst/Risk Manager
Jackson County
415 East 12th Street
Kansas City, MO 64106
816-881-3202-Telephone
816-881-3877-Fax

Res. 18608**PROPERTY QUOTE COMPARISON—ALL OR NOTHING**

	RFP	Travelers	Zurich
Blanket Real & Personal Property Values	1,405,875,730	1,405,875,730	1,405,875,730
Policy Loss Limit	1,000,000,000	1,000,000,000	1,000,000,000
Miscellaneous Unscheduled Locations	5,000,000	5,000,000	5,000,000
Newly Constructed or Acquired Property	25,000,000	25,000,000	25,000,000
Demolition, Increased Cost of Construction and Debris Removal	25,000,000	25,000,000	25,000,000
Ordinance or Law including Demolition and Increased Cost of Construction	25,000,000	25,000,000	25,000,000
Flood Except Zone A & V	100,000,000	100,000,000	100,000,000
Flood Zone A	1,000,000	1,000,000	1,000,000
Earth Movement	100,000,000	100,000,000	100,000,000
Errors and Omission, Not including Earth Movement or Flood	5,000,000	5,000,000	5,000,000
Extra Expense	10,000,000	10,000,000	10,000,000
Comprehensive Boiler and Machinery all Locations Include Inspections NOTE: Only the Independence Square Courthouse and Annex have boilers.	Policy Limit	500,000,000	300,000,000 ✓
Loss of Rents	10,000,000	10,000,000	10,000,000
Also Include:			
1) EDP Media and Equipment	25,000,000	25,000,000	Policy Limit
2) EDP Media and Reconstruction	Included	Included	Included
3) Accounts Receivable	10,000,000	10,000,000	10,000,000
4) Valuable Papers and Records	10,000,000	10,000,000	10,000,000
5) Transit	1,000,000	1,000,000	1,000,000
Per Addendum 2			
Off Premise Utility Services	10,000,000	10,000,000	10,000,000
Fine Arts	1,000,000	1,000,000	1,000,000
Pollutant Cleanup	100,000	100,000	500,000 ✓
Data Claim Expense	25,000	25,000	—
Contractors Equipment	250,000	250,000	250,000
Ingress/Egress	1,000,000	1,000,000	1,000,000
Terrorism	500,000,000	500,000,000	500,000,000
Deductible—All Coverages	150,000	150,000	150,000
Deductible—Flood Zone A&V	NFIP (500,000)	NFIP (500,000)	1,000,000 ✓
Deductible—500 Year Flood	150,000	150,000	500,000 ✓
Premium	635,161	552,191	583,438

Res. 18608

*Additional Limits/Sublimits Included	RFP	Travelers	Zurich
Debris Removal		25% of loss plus \$500,000	25% of loss plus \$500,000
Expediting Expense		250,000	250,000
Fire Brigade and Extinguishing Expenses		Included	1,000,000
Leasehold Interest		1,000,000	1,000,000
Preservation of Property		250,000	1,000,000 ✓
Personal Effects of Officers and Employees		100,000	Included ✓
Professional Fees			500,000 ✓
Property in Course of Construction		Must be named	500,000
Trees, Shrubs, Plants and Land Improvements—Per Item		500,000	500,000
Notice of Cancellation		60 days	60 days
Time Limits			
Business Interruption		48 hours	150,000
Ingress/Egress		30 days	30 days
Newly Acquired Property		120 days	120 days
Civil Authority		30 days	30 days
Computer Systems—Nonphysical Damage			12 hrs.

*Options requested to include no limit requested on RFP

