



THE CORPORATION OF THE CITY OF SARNIA
Purchasing Department
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REQUEST FOR PROPOSAL NO. 10-114
GENERAL INSURANCE AND RISK MANAGEMENT SERVICE PROGRAM

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INSTRUCTIONS TO BIDDERS

- Invitation to Bid**
The City of Sarnia invites bids from qualified vendors and contractors to provide the goods and/or services described or specified in the accompanying Request for Proposal, Quotation or Tender.
- Standard Terms and Conditions**
Bidders are instructed to read the enclosed *STANDARD TERMS AND CONDITIONS* and to contact the Purchasing Office for clarification, if required.
- Closing Date and Time/Location**
Bids shall be submitted on the prescribed forms by not later than the closing date and time to:

Purchasing Office for - Quotations and Proposals
City Clerk's Office for.... - Tenders and Engineering Contracts.
- Bid Surety**
Be sure to enclose bid deposits when required.

REQUEST FOR PROPOSAL NO. 10-114
GENERAL INSURANCE AND RISK MANAGEMENT SERVICES

1. BACKGROUND

The Corporation of the City of Sarnia (and the Police Services Board) shall hereby be referred to as the "City" throughout this document. The entities which puts forth the proposal and will execute the insurance policies shall be referred to as the "Bidder" or "Proponent" throughout this document.

The City is in the process of selecting an Insurer to provide insurance and risk management services in the areas contained within this Request for Proposal.

Through this Request for Proposal, the City seeks to:

- Specify the terms and conditions that would govern any resulting policy
- Select the successful bidder, if any.

This Request for Proposal states the instructions for submitting proposals, and the procedures and criteria by which the successful bidder will be selected.

2. SUBMISSION

Any change notices, appendices and addenda issued for this Request for Proposal shall be considered part of this proposal document.

Proposals shall be properly labeled and sealed in the accompanying return envelope, and submitted not later than the closing date and time to:

The Purchasing Department
The Corporation of the City of Sarnia
255 Christina Street North
PO Box 3018
Sarnia ON N7T 7N2

Proposals will be received until **3:00 p.m. local time, September 15, 2010**

Proposals shall not be accepted after the closing date and time. Bidders may not make modifications to their Proposals after the closing date and time.

It is the responsibility of each bidder to submit all required documents as outlined in this Request for Proposal. Failure to quote on all options set out will disqualify your proposal.

All proposals shall become the property of the City.

3. SCOPE OF WORK – See Terms of Reference (Page 8)

4. REQUIREMENTS AT THE TIME OF CLOSING

Submission of the following documents is required for the Bid to be considered:

- (a) The *Form of Proposal*, filled in, signed and sealed as applicable;
- (b) All items listed under the *Proposal Submission Format* outlined in the Terms of Reference.

5. VALIDITY

The Proposal submitted shall remain valid and irrevocable for at least thirty (30) days from the Proposal closing date.

6. COST OF SUBMISSION

The City of Sarnia will NOT be liable nor reimburse any bidder for all costs incurred in developing Proposals, attending meetings/interviews, or any other services that may be required in responding to this "Request for Proposal".

7. QUESTIONS RE REQUEST FOR PROPOSAL

Bidders having questions or finding discrepancies or omissions, or having doubts as to the meaning or intent thereof, shall at once notify, **in writing**, the City of Sarnia, who shall send written instructions or explanations by Addenda to all bidders, as required.

It shall be the bidders responsibility to clarify any points in question with the Legal Department of the Corporation of the City of Sarnia prior to submitting the proposal. Responses to inquiries will be forwarded to all bidders.

INQUIRIES arising from this Proposal should be directed to:

Name	Mr. David Beasley
Title	Insurance & Investment Accountant
Address	Legal Department, 255 North Christina Street, Sarnia, ON
Telephone	519-332-0330 ext 232
Fax	519-332-3995
Email address	dbeasley@sarnia.ca

The deadline for questions regarding this Request for Proposal is **September 3, 2010**

If there are any questions regarding the **PROPOSAL SUBMISSION**, these should be directed in writing, by e-mail, or fax to:

Mr. Shawn Unsworth	Telephone: 519-332-0330, Ext. 252
Purchasing Agent	Fax: 519-332-1466
	Email: purchase@sarnia.ca

8. WITHDRAWAL OF PROPOSAL PRIOR TO CLOSING

A bidder who has submitted a response to this Request for Proposal may request that such response be withdrawn. Withdrawals shall be complete and shall be allowed under the following conditions:

- (a) If the request is made in writing on the bidder's letterhead and signed by a senior official of the responding bidder
- (b) If the request is made in person by a senior official from the submitting bidder who shall complete and sign an appropriate form
- (c) If the request is made by way of a facsimile or telegram, it must bear the name of the senior official authorizing the withdrawal

In all cases a request for withdrawal of a Proposal will be verified by the City of Sarnia by way of a telephone call, fax or e-mail to a senior official representing the bidder to confirm the withdrawal.

All confirmed requests for withdrawal will be placed on record. The entire response will be returned unopened to a representative of the bidder after the bid closing. Bidders will be responsible for the pick-up of the proposal by the day requested.

9. **PROPOSAL FORMAT**

Two (2) copies of the Proposal shall be submitted.

The Bidder who puts forth the proposals will have them signed by an official authorized to bind the Brokers and Insurers and will provide the name(s), title(s), and address and telephone number of the individual(s) to be contacted during the evaluation process.

To assure similarity in Proposal presentation, and to facilitate the comparison of competing Proposals by the evaluation team, bidders shall include the required material using the sections as follows:

- Title Page (if desired)
- Cover Letter
- Table of Contents
- All requirements outlined in the Terms of Reference
- Enclosures (Proof of Insurance)

Your proposal must be type written. Erasure, overwriting or strike-outs must be initialed by the person signing on behalf of the proponent.

Fax proposals are not acceptable.

The following information shall be provided to describe the type of information which is expected to be in each of the sections listed above. It is not the intention to discourage creativity on the part of the bidder. It is, however, very important for the Proposal reviewers to be able to compare like types of material from among the various bidders.

If desired, documents may be attached to the Proposal which substantiates the Proposal claims. However, if there are references to these support documents, then the precise page number, section number and title must be specified so that it can easily be found and referred to. All referenced support material shall be submitted in the quantities indicated so that all evaluators have access to all supporting documents.

I Introduction

This section shall present an overall description of the Proposal. It should respond to the RFP objectives and state the bidders' overall methodology to achieving them.

II Qualifications and References

The information presented in this section shall include the following:

Company Background

This must address the bidder's competencies to complete the preparation of specialty crop area evaluations,

Client References

To qualify for the procurement, a bidder must have successfully completed projects of similar size and complexity to that proposed. Include descriptions of the above referenced projects, as well as the dates completed, customers, contact names, titles, addresses, telephone numbers of the customers' Project Directors, and total value of the contracts.

Other material may be included which further establishes the qualifications of the bidder for accomplishing this project.

10. ADDENDA

It may be necessary for a variety of reasons to issue addenda:

- Correction to the terms of reference document and related information.
- To extend closing dates.
- Clarification of parts of the proposal documents.
- Responses to specific questions asked by one proponent will be made available to all bidders.
- Retraction or cancellation of the proposal.

All addenda issued to proponents will include a covering letter asking the recipient to confirm receipt of the most recent addendum and any previous addendum via e-mail. The addendum will be e-mailed if the addendum material is suitable for e-mailing and the proponent has provided the appropriate e-mail address. If the addendum is too lengthy or large to be sent via e-mail, the addendum material will be sent via regular mail, courier or hand delivered depending on addendum issue date relative to the closing date. Addenda will be e-mailed or mailed to the latest e-mail/mail address as provided by the proponent. It is the proponent's responsibility to notify the City of any changes to their e-mail or mailing address.

Although the City will make every reasonable effort to ensure the proponent receive all addenda issued, it is the proponent's ultimate responsibility to ensure all addenda have been received.

11. AWARD

Upon completion of evaluations, the City of Sarnia may select a bidder with whom it wishes to undertake negotiations for the service outlined in the Request for Proposal. Negotiations would take the form of adding, deleting, or modifying certain requirements based on the response to the Request for Proposal, and adjusting prices accordingly, if required. Assuming mutually acceptable terms and conditions can be agreed upon, a purchase order will be issued to the selected bidder.

The City of Sarnia reserves the right to reject any or all Proposals submitted. ***Therefore the lowest cost Proposal may not necessarily be accepted.***

The acceptance and award of a Proposal shall be subject to the approval of Sarnia City Council.

12. REQUEST FOR PROPOSAL SCHEDULE

The following schedule should be used as a guide by bidders. The City may alter this schedule at any time and accepts no responsibility for adherence to it:

Issue of RFP	July 30, 2010
Deadline for Questions	September 3, 2010
RFP Closing Date	September 15, 2010
Evaluation of RFP and clarification of Proposal	September 30, 2010
Submission of Recommended Proposal to Council	October 4, 2010

13. CONFIDENTIALITY PROVISIONS

The information contained in this Request for Proposal will be utilized by the proponent solely for the purposes of preparing a submission response. Any other use of the information for any other purposes is now allowed by the City of Sarnia.

In accordance with the *Municipal Freedom of Information and Protection of Privacy Act* (MIFIPPA), this statement is to advise bidders that the information submitted will be collected under authority of the Act, and will be used exclusively for the selection process.

14. REGISTERED BUSINESS NAME & NUMBER

Bidders are required to state their legally registered company name (Sole Proprietorship, Partnership or Corporation) on the spaces provided. **FAILURE TO COMPLY MAY RESULT IN THE DISQUALIFICATION OF THE BID SUBMISSION.**

The Company name stated on the Form of Tender, Proposal or Quotation shall be the Bidder's registered business name, including the registration number issued by the Ontario Ministry of Consumer and Business Services, or by Industry Canada, whichever is applicable. In any case, the bidder's name stated on the bid form shall be in accordance with the Ontario Business Name Act and the Ontario Business Corporation Act.

Clearly identify the prime firm submitting the proposal. Identify any other firms involved and their legal/contractual relationship with the prime firm. Outline the legal structure and ownership of the firms. Provide an overview of the firms office locations, staffing (number of professional/technical disciplines).

15. FORM OF PROPOSAL (PRICE QUOTATION)

I/We have reviewed this Request for Proposal, including the Terms of Reference and General Terms and Conditions, evaluated the City of Sarnia's requirements, and offer to provide the services outlined at the prices stated on the Price Schedule.

LUMP SUM TOTAL COST \$ _____

PROPOSAL SUBMITTED BY:

Registered Business Name: _____

Registration Number: _____

Ontario Corporation Number (if applicable): _____

Business Address: _____

Telephone: _____ Fax: _____ E-mail: _____

Contact Person: _____

Signature of authorized officer: _____

Name of Authorized Signing Officer (please print): _____

_____ I have authority to bind the corporation.

Title: _____ Date signed: _____

TERMS OF REFERENCE FOR GENERAL INSURANCE AND RISK MANAGEMENT

1.0 GENERAL TERMS AND CONDITIONS

Freedom of Information Act

The proponent hereby consents to the disclosure of any information contained in the proposal document, pursuant to the Municipal Freedom of Information and Protection of Privacy Act, R.S.O. 1990, C.M. 56.

Rejection of Proposal

The City reserves the right, in its absolute discretion, to reject any or all Proposals or to award the contract to other than the Consultant submitting the lowest cost proposal, provided that Council in its sole and absolute discretion, decides that it is in the best interest of The Corporation of the City of Sarnia to do so.

1.1 Confidentiality

The City and the proponent agree that the content of each response to this Request for Proposal will be held in the strictest confidence, and details of any response will not be discussed with any other party. By submitting a response to this Request for Proposal, each proponent, broker and insurer agrees not to disclose at any time. Only information subject to the Freedom of Information and Privacy Act may be disclosed. The City agrees to notify the proponent should a request for information be received.

1.2 Term of Agreement

The successful proponent will provide services to and arrange insurance for the City for the upcoming policy term, from January 1, 2011 to January 1, 2016. Based on satisfactory performance and service, subsequent renewals may be granted.

1.3 Local Claims Adjuster & Broker

The City, together with the Insurer, may appoint a local independent adjuster to handle all or any of the claims. In lieu of other commitments, is the insurer willing to work with our present local broker and if so describe how this would be handled?

1.4 Coverage

Details of the City's required coverage and deductibles are set out in the Coverage Specifications Section. The following highlights some of the key requirements:

Tax: All Premiums shown shall be actual premiums, exclusive of Sales Tax, which shall be additional to premiums shown.

Subscription Identification: If more than one Insurer is proposed for a selected coverage, each Insurer and percentage of subscription is to be identified for each class of insurance and the proponent must warrant that all subscriptions are firm authorizations. As well, all Liability insurance, including Municipal Liability, Errors and Omissions Liability, Non-Owned Automobile and Environmental Liability must be placed with the same General Insurance Company.

Wordings: Insurers may quote on their own wordings as long as all conditions are met by the wordings. The City will require that original specimen wordings must accompany the proposal showing all Terms, Conditions and Exclusions. It is mandatory that deviations from the coverage requested be outlined in full in a separate section, marked "Deviations".

Claims Made: The Errors and Omissions Liability and the Environmental Liability policies are to be written on a claims made form.

Assignment/Transfer: The successful proponent will not assign or transfer any portion of the proposal submitted and subsequently accepted without receiving prior approval to do so by the City.

Coverages: At any time of this Agreement the City reserves the right to increase coverage for insurance purposes, or to add additional items to the respective policies or to increase or decrease deductibles, all of which would be subject to increases/decreases to premium costs.

If coverages exceed those set out in the “Coverage Requirements”, proponents must include a separate Program Options section to their submission outlining enhancements and costs associated.

1.5 Reciprocal Proposal

If the proposal submitted is for a Reciprocal Agreement, the proponent must clearly identify the retro-assessment percentage for which the City would be responsible.

The proponent must include a retro-assessment history of the Reciprocal including the claims history leading to the retro-assessments. The Reciprocal proponent should address any concerns in regard to the City’s ability to return to conventional insurance. As well, the Reciprocal proponent must include any Notice Period required and any outstanding liabilities for which the City may be responsible.

The proponent must include The Reciprocal Subscribers Agreement and any amendments to the Original Agreement.

1.6 Reservation of Right

Proponents will not have the right to change conditions, terms or prices of the proposal once the proposal has been submitted in writing to the City, nor shall proponents have the right to withdraw a proposal once it has been submitted.

The lowest or any proposal will not necessarily be accepted.

1.7 Governing Law

Any contract resulting from this Request for Proposal shall be governed by and interpreted in accordance with the laws of the Province of Ontario.

1.8 Cancellation

All insurance policies will include a sixty (60) day written notice of cancellation by the Insurer, unless otherwise noted and agreed to by the Insured.

1.9 Service Requirements

Please provide responses to the following in the order presented.

2.0 Proponent/Brokerage Responsibilities

Brokers and Insurers must provide evidence of long-term strength and viability, flexibility to react to the changing insurance needs of the City, but have the ability to anticipate the City’s needs and respond with innovative solutions. Brokers must have access to appropriate insurance markets.

Each Insurer is asked to provide evidence of long-term financial strength and viability including:

- Financial statements
- AM Best rating

Please confirm your organization is licensed and in good standing to operate as an insurance broker in the Province of Ontario.

Brokers and insurers must provide evidence of municipal experience including your familiarity with operations and associated risks as well as demonstrated comprehensive knowledge of legislation governing municipal operations.

Outline the Account Management team you propose to assemble to service the needs of the City including the qualifications and functions of each team member. Include the locations of the proposed servicing office and methods by which the City will be able to interact with the proposed servicing office.

Provide a list of current municipal clients of similar size, exposures and scope of operations to the Corporation of the City of Sarnia in your proposal. Please include a list of three (3) references including contact names, addresses and phone numbers.

Members of the Account Management team will attend such meetings as are called to discuss their work and shall provide such information as requested which will enhance the understanding of the City concerning matters pertaining to insurance and risk management services.

The Proponent/Brokerage dealing directly with the City must answer the following:

- 2.1** Q History or Profile of the brokerage firm, including the correct legal name under which the firm carries on business, the corporate head office and phone number, and the name under which the firm carries on business, the corporate head office address and phone number, and the names of the principals and individuals who would be responsible for the account.
- 2.2** Q The qualifications and experience of the local individual(s) who would be assigned to the account, including any and all experience with respect to risk management and unique coverage.
- 2.3** Q What experience does your company have in the public entity insurance sector? Please supply a list of your public entity accounts, and include the name, title and telephone number of persons who can be contacted for references.
- 2.4** Q Proof of E&O Insurance. The Insurance Brokerage handling this account must maintain \$5,000,000.00 of Errors and Omissions insurance for the past three years. Please provide proof of this coverage.
- 2.5** Q Municipal commercial accounts which may be contacted as references for both the brokerage firm and the individual(s) who will be assigned to this account.
- 2.6** Q Outline your approach and substantiate your company's ability to deliver the requirements as described below, 'Scope of Work'. Also outline services typically provided and the service philosophy in managing this type of account.

Scope of Work

- Conduct a comprehensive exposure analysis
- Policy review
- Provide expertise and Resources for the competitive sourcing of insurance policies
- Insurance and Risk Management consultation
- Advice and guidelines on a regular basis relating to contract issues and business risks
- Provide a timely general liability policy
- Prepare a timely complete marketing submission each year
- Provide alternative insurance placement proposals

- 2.7** Q Outline the process your company provides for assessment of insurable values and updating of all property values.
- 2.8** Q Describe your engineering and loss control services, and any other special services provided by your company.
- 2.9** Q Describe the procedures used by your company in processing claims (i.e. investigation and settlement)

2.10 Q Outline the proposed basis of compensation for the above services requested
in the Scope of Work.

3.0 Risk Management Services

The City is interested in receiving information on new and innovative ways to manage its risks and insurance requirements during the policy period.

Include in your response an overview of the Risk Management Services (including seminars and training) that you will provide for Municipal clients.

Information should be included in your proposal regarding any advisory services which are included in the premium, and those which are provided on a fee for service basis.

3.1 Claims Management Services

Please describe in detail how claims for the City will be handled. Provide an overview of the Claims Management Plan that your organization would use. Outline the claims handling procedure that would be implemented to standardize this process in a multi-site operation.

Discuss the use of adjusters, legal representatives, the handling of sensitive claims and education.

3.2 Coverage Specifications

Coverage requirements for policies are outlined on the following pages:

- Municipal Liability Insurance
- Errors and Omissions Liability Insurance
- Non-Owned Automobile Insurance
- Environmental Liability Insurance
- Crime Insurance
- Councillors' & Volunteers' Accident Insurance
- Conflict of Interest Insurance
- Legal Expense Insurance
- Property Insurance
- Equipment Breakdown Insurance
- Automobile Fleet Insurance
- Automobile Transit Insurance
- Automobile Garage Insurance

**MUNICIPAL LIABILITY INSURANCE
(OCCURRENCE FORM)**

1. NAMED INSURED:
Corporation of the City of Sarnia and/or
Police Services Board of the City of Sarnia
2. DESCRIPTION:
Insures all operations of the City against claims arising from bodily injury, property damage, personal injury.
3. LIMITS OF PROTECTION PER OCCURRENCE:
\$ 20,000,000. any one liability claim with no annual aggregate.

\$ 250,000. Wrongful Dismissal (legal expense) Limit per claim.
\$ 250,000. Annual Aggregate Limit.
Included Incidental Malpractice Liability
4. DEDUCTIBLE:
\$ 25,000. Third Party Claims Deductible (including expenses).
\$ 25,000. Sewer Backup per Incident? /Claimant? Deductible (including expenses).
\$ 25,000. Wrongful Dismissal Deductible.
5. POLICY COVERAGE AND CONDITIONS:
 - Bodily injury, property damage and personal injury
 - No annual aggregate
 - Separate limit of liability
 - Broad definition of insured applies, including: Councillors, Employees, Statutory Officers, Firefighters, Volunteers, Boards, Commissions and Committees.
 - Cross Liability included
 - Employers' Liability
 - Contractual Liability
 - Liquor Liability
 - Products Liability
 - Professional Liability (including Medical Malpractice) on an occurrence basis
 - Blanket Tenants' Legal Liability
 - No exclusion for sexual, physical or mental abuse applicable to the entity
 - Coverage applies Worldwide
 - Incidental Malpractice Liability
6. ATTACH SPECIMEN COPY OF PROPOSED POLICY.
7. LIST EXCLUSIONS.

**ERRORS AND OMISSIONS LIABILITY INSURANCE
(CLAIMS MADE POLICY)**

1. NAMED INSURED:
Corporation of the City of Sarnia and/or
Police Services Board of the City of Sarnia
2. DESCRIPTION:
Protects the City from liability imposed upon it by a court of civil law, for compensatory damages because of a wrongful act causing financial loss to a third party.
3. LIMITS OF PROTECTION PER CLAIM:
\$ 20,000,000. any one claim with no annual aggregate.
4. DEDUCTIBLE, INCLUDING EXPENSES:
\$ 25,000.
5. POLICY COVERAGE AND CONDITIONS:
 - Broad form definition of Insured applies including: Councillors, Employees, Statutory Officers, Firefighters, Volunteers, Boards, Commissions and Committees.
 - Separate Limit of Liability applies.
 - Administration of Employee Benefits Programs included to the full policy limit
 - Coverage applies Worldwide.
6. ATTACH SPECIMEN COPY OF PROPOSED POLICY.
7. LIST EXCLUSIONS.

NON-OWNED AUTOMOBILE INSURANCE

1. NAMED INSURED:
Corporation of the City of Sarnia
Police Services Board of the City of Sarnia
2. DESCRIPTION:
Provides legal liability protection against claims arising out of accidents involving vehicles not owned by the City, but being operated on their behalf. Coverage is provided as per the Statutory Non-Owned Automobile policy.
3. LIMITS OF PROTECTION PER OCCURRENCE:
\$ 20,000,000. any one liability claim, with no annual aggregate
\$ 250,000. Legal Liability for Non-Owned Vehicles (S.E.F. No. 94)
All Perils Physical Damage
4. DEDUCTIBLE:
\$ 500. SEF. No. 94
5. POLICY COVERAGE AND CONDITIONS:
 - Comprehensive form.
 - Separate limit of liability applies
 - Coverage is extended to provide excess automobile liability insurance, to the policy limit, for Councillors, Board Members, Officers, Employees and Volunteers for claims arising while driving their own vehicles on municipal business.
 - Physical damage coverage is provided for the City's contractual and legal liability for damage to vehicles not owned by the corporation or any other insured.
6. ATTACH SPECIMEN COPY OF PROPOSED POLICY.
7. LIST EXCLUSIONS.

**ENVIRONMENTAL LIABILITY INSURANCE
(CLAIMS MADE POLICY)**

1. NAMED INSURED:

Corporation of the City of Sarnia
Police Services Board of the City of Sarnia

2. DESCRIPTION:

Protects the City from environmental liability for claims because of bodily injury, property damage and the prevention, control, repair, clean-up or restoration of environmental impairment.

3. LIMIT OF PROTECTION PER CLAIM:

\$ 1,000,000. any one liability claim
\$ 2,000,000. annual aggregate

4. SELF-INSURED RETENTION:

\$ 25,000.

5. POLICY COVERAGE AND CONDITIONS:

- Broad form definition of Insured applies, including: Councillors, Employees, Statutory Officers, Firefighters, Volunteers, Boards, Commissions and Committees.
- Broad definition of Environmental Impairment applies.
- Coverage is included for sudden and accidental events and for liability resulting from events that occur gradually and over a period of time.
- Separate limits of liability apply specifically to this coverage.
- Coverage is included for liability arising out of the escape of contaminants from properties previously owned, leased or operated by the City.
- Coverage is included for impairment caused by owned watercraft.
- Coverage applies worldwide.
- No exclusion for landfill sites, open or closed.
- No exclusion for fuel tanks, above or underground.

6. ATTACH SPECIMEN COPY OF PROPOSED POLICY.

7. LIST EXCLUSIONS.

CRIME INSURANCE

1. NAMED INSURED:

Corporation of the City of Sarnia
Police Services Board of the City of Sarnia

2. DESCRIPTION:

Provides protection to the City for the loss of money, securities and other property through the fraudulent or dishonest acts of employees and others.

3. LIMITS OF PROTECTION:

Commercial Blanket Bond Package	\$	1,000,000.	
Money Orders & Counterfeit Paper Currency			Included to
Bond Limit			
Depositors' Forgery		Included to Bond Limit	
Audit Expense	\$	100,000.	
Money and Securities – Blanket any Location		\$	100,000.
Computer Fraud or Funds Transfer Fraud	\$	200,000.	

4. DEDUCTIBLE:

No deductible applies.

5. POLICY COVERAGE AND CONDITIONS:

- Coverage to be provided on a Commercial Blanket Bond package, and may include:
 - Employee dishonesty
 - Loss of money and securities
 - Money order and counterfeit paper currency
 - Depositors' forgery
- Audit expense coverage to be in addition to overall bond limit, subject to maximum amount specified
- The definition of "employee" is extended to include all persons holding positions in the City's service who are not compensated, and includes members of Council, members of all Boards, Commissions and Committees appointed by and under Council's jurisdiction.
- Definition of "messenger" is extended to include persons not compensated

6. ATTACH SPECIMEN COPY OF PROPOSED POLICY.

7. LIST EXCLUSIONS.

COUNCILLORS' & VOLUNTEERS' ACCIDENT INSURANCE

1. NAMED INSURED:

Corporation of the City of Sarnia and/or
Police Services Board of the City of Sarnia

2. DESCRIPTION:

This policy provides accident insurance coverage for the benefit of the City's elected officials. All benefits are payable in addition to any other benefits that the injured person may be in receipt of.

Persons to be covered are:

Mayor, Twelve Councillors, Three Police Services Board Members,
One Police Services Board Secretary and Eight Library Board Members

3. LIMITS OF PROTECTION:

Schedule of Benefits:

Principal Sum for Loss of Life	\$	200,000.
Capital Sum for Dismemberment	\$	200,000.
Weekly Indemnity – Total Loss of Time (Payable for Life)	\$	500.
Weekly Indemnity – Partial Loss of Time (Payable for One Year)	\$	250.
Funeral Expenses	\$	10,000.
Blanket Accident Expenses	\$	10,000.

4. DEDUCTIBLE:

NIL.

5. POLICY COVERAGE AND CONDITIONS:

- Insured Persons are covered while they are acting within the scope of their duties, including all travel required.
- No age limit restriction
- No aggregate limit
- No waiting periods for weekly income
- Weekly indemnities are paid in full regardless of the individual's employment status
- Weekly indemnity for Total Loss of Time is payable for life
- Blanket accident expenses include dental, chiropractic, registered nurse, podiatrist, ambulance, drugs, crutches, etc.

6. ATTACH SPECIMEN COPY OF PROPOSED POLICY.

7. LIST EXCLUSIONS.

* 24 Hour Coverage for the Mayor and Eight Councillors ONLY

CONFLICT OF INTEREST INSURANCE

1. NAMED INSURED:

Corporation of the City of Sarnia and/or
Police Services Board of the City of Sarnia

2. DESCRIPTION:

This policy provides for the reimbursement of legal fees and expenses incurred by the elected or appointed members of Council who are charged under the Municipal Conflict of Interest Act, [or other applicable Statute title(s) in Provinces other than Ontario] provided that the court finds:

- (1) that there has been no contravention, or
- (2) contravention has occurred by reason of inadvertence, remoteness, or insignificance, or
- (3) contravention has occurred by reason of a bona fide error in judgment.

3. LIMITS OF PROTECTION:

Coverage is provided for 100% of legal fees and disbursements up to a maximum limit of \$ 100,000. in respect of each individual Insured's claim.

4. POLICY COVERAGE AND CONDITIONS:

- Coverage is provided in respect of each individual Insured's claim up to the maximum limit.
- Separate limit of insurance applies.
- No annual aggregate limit applies.
- Coverage is extended to include any member of a Board, Commission or Committee of the Insured as defined by the Municipal Conflict of Interest Act.
- Coverage is also included for any subsequent proceedings under the Act.
- The Insured is able to select and instruct legal counsel with no intervention by the Insurer.

5. ATTACH SPECIMEN COPY OF PROPOSED POLICY.

6. LIST EXCLUSIONS.

LEGAL EXPENSE INSURANCE

1. NAMED INSURED:

Corporation of the City of Sarnia and/or
Police Services Board of the City of Sarnia

2. DESCRIPTION:

This form of insurance provides for the reimbursement of legal fees and expense incurred by the City in defense of charges laid for an alleged offence under any Statute of the Province of Ontario (except for the Highway Traffic Act and the Municipal Conflict of Interest Act) [or other applicable Statute title(s) in Provinces other than Ontario].

Examples of the more common Statutes where such exposure exists are:

- Environmental Protection Act
- Freedom of Information and Protection of Privacy Act
- Occupational Health and Safety Act
- Ontario Water Resources Act
- Pesticides Act
- Municipal Elections Act

3. LIMITS OF PROTECTION:

Coverage is provided for 100% of legal fees and disbursements up to \$ 100,000. subject to an annual aggregate for all claims of \$ 250,000.

4. POLICY COVERAGE AND CONDITIONS:

- Broad form definition of Insured applies, including: Councillors, Employees, Statutory Officers, Firefighters, Volunteers, Boards, Commissions and Committees.
- Separate limits of insurance apply.
- Coverage applies for both “guilty” and “not guilty” outcomes.
- The Insured is able to select and instruct legal counsel with no intervention by the Insurer.

5. ATTACH SPECIMEN COPY OF PROPOSED POLICY.

6. LIST EXCLUSIONS.

PROPERTY INSURANCE (including Data Processing Insurance)

1. NAMED INSURED:

Corporation of the City of Sarnia and/or
Police Services Board of the City of Sarnia

2. DESCRIPTION:

“All Risk” coverage to protect the City’s assets from direct physical loss or damage. Coverage is provided on a blanket basis.

3. LIMITS OF INSURANCE:

Total Sum Insured (2007 value per Suncorp Valuations Ltd.) \$ 257,500,000.

Valuable Papers \$ advise

Accounts Receivable \$ advise

Extra Expense (other than Data Processing) \$ advise

Auto Mechanic Tools \$ 100,000.

Business Interruption:

Gross Revenue Form \$ advise

Rent or Rental Value Form \$ advise

Data Processing:

Systems and Equipment \$ advise

Media \$ advise

Extra Expense \$ advise

Fine Arts Form \$ advise

Exhibition Form As Per Lists Provided

4. DEDUCTIBLE \$ 50,000.

Exceptions:

Auto Mechanic Tools \$ 5,000.

Please advise

Note: Property Insured (See list of properties in Exhibit “A“attached)

PROPERTY INSURANCE (including Data Processing Insurance) (Cont'd)

5. POLICY COVERAGE AND CONDITIONS:

- Broad Definition of property insured
- No co-insurance clause
- Replacement cost coverage provided
- Worldwide coverage included
- Replacement on same site not required
- No restriction on property in transit and coverage is provided to policy limit
- Newly acquired property is automatically included with no limit other than the policy limit
- Sewer back-up coverage included
- By-law coverage included to the policy limit
- Permission is granted: to make additions, alternations and repairs; for property to remain vacant or unoccupied; to keep and use materials as usual and necessary to the Insured's business.
- Debris removal (including Environmental/Pollution Clean-up) included to policy limit
- If a single loss involves both the Automobile and Property Insurance policies, the Property policy deductible is waived only on any insured property attached to the automobile.
- One deductible applies should there be a loss involving both the property and equipment breakdown insurance policies.
- Insured is not required to provide a signed statement of values and policy does not contain a stated amount clause.

6. ATTACH SPECIMEN COPY OF PROPOSED POLICY.

7. LIST EXCLUSIONS.

EQUIPMENT BREAKDOWN INSURANCE

1. NAMED INSURED:

Corporation of the City of Sarnia and/or
Police Services Board of the City of Sarnia

2. DESCRIPTION:

Sudden and accidental mechanical breakdown to boilers, pressure vessels, and other equipment including resulting damage. Inspections and certification services as required by law.

3. LIMITS PER ACCIDENT – COMPREHENSIVE	\$ 50,000,000.
<u>Special Extensions to Be Included:</u>	
Loss of Arena Revenues – Daily Indemnity	1,000.
- Total Limit of Loss	90,000.
Extra Expense	\$ 500,000.
Spoilage – Goods under Refrigeration	50,000.
Expediting Expenses	Included
By-Law Cover	Included
Errors and Omissions	100,000.
Hazardous Substance (including PCB Contamination)	500,000.
Ammonia Contamination	500,000.
Water Damage	500,000.
Professional Fees	500,000.
Data Restoration	25,000.
Denial of Access	2 Weeks

Computer Control Equipment – coverage is provided for breakdown of equipment whenever it is used solely to control or operate an insured object.

Provides sudden and accidental breakdown to production machinery.

4. DEDUCTIBLE:

Per Loss \$ 25,000.

5. POLICY COVERAGE AND CONDITIONS:

- Comprehensive Blanket coverage provided
- Broad definition of Object, includes communication equipment and production machinery
- Settlement is based on repair or replacement costs (no depreciation factor)
- Broad definition of Accident applies
- New locations and newly installed objects are automatically included
- Errors and Omissions
- Denial of Access
- One deductible applies should there be a loss involving both the equipment breakdown and property insurance policies

6. LOCATIONS: All locations excluding unlisted sub-stations.

7. ATTACH SHEET LISTING VARIARANCES.

**AUTOMOBILE FLEET INSURANCE
(CITY)**

1. NAMED INSURED:

Corporation of the City of Sarnia

2. DESCRIPTION:

This policy provides protection for all claims arising out of the use or operation of licensed automobiles owned or leased by the City. Coverage is provided as per the Statutory Automobile Owner's Policy.

3. LIMITS OF PROTECTION:

Liability Limit \$ 20,000,000.

4. DEDUCTIBLES:

Section 3 (Third Party) \$ 50,000.

Section 6 (Direct Compensation-
Property Damage Coverage) applies to:

- Any Leased Vehicles except Ambulances \$ 50,000.

- All Other Vehicles \$ 50,000.

All Perils applies to:

- All Leased Vehicles \$ 50,000.

- All Other Vehicles \$ 50,000.

OPCF #43A – Removing Depreciation Deduction (30 Months) applies to:

- (Refer to Attached Automobile Schedule)

Note: Owned Vehicles (See list of vehicles in Exhibit "B" attached)

5. POLICY COVERAGE AND CONDITIONS:

- Coverage provided for liability, accident benefits, uninsured automobile, and direct compensation (property damage)
- Coverage is automatically extended to include:
 - Newly acquired vehicles,
 - Inappropriately licensed drivers,
 - Permission to carry explosives,
 - Permission to rent or lease,
 - Damage caused by freezing of Fire-Fighting Apparatus, and
 - Permission to carry passengers for compensation.
- Replacement cost to provide repairs or replacement of vehicles with no deduction for depreciation
- Guaranteed Amount coverage can be provided on specified vehicles. Repairs or replacement will be undertaken without deduction for depreciation up to the Guaranteed Amount shown on the automobile schedule attached to the policy.
- Valued coverage can be provided on specified vehicles; usually those that are obsolete, would not be replaced, or would be replaced with a used vehicle.
- Actual cash value coverage can be provided on specified vehicles
- If a single loss involves both the Automobile and Property Insurance policies, the Property policy deductible is waived only on any insured property attached to the automobile.

6. ATTACH SPECIMEN COPY OF PROPOSED POLICY.

7. LIST EXCLUSIONS.

**AUTOMOBILE FLEET INSURANCE
(TRANSIT)**

1. NAMED INSURED:

Corporation of the City of Sarnia

2. DESCRIPTION:

This policy provides protection for all claims arising out of the use or operation of licensed automobiles owned or leased by the City. Coverage is provided as per the Statutory Automobile Owner's Policy.

3. LIMITS OF PROTECTION:

Passenger Hazard Limit	\$	8,000,000.	} \$15, 000,000. Any One Claim
Road Hazard Limit	\$	2,000,000.	
Passengers' Property Damage	\$	5,000.	
Third Party	\$	10,000.	
Direct Compensation	\$	10,000.	
Accident Benefit	\$	10,000.	
All Perils Deductible	\$	10,000.	
Excess of Primary Limit	\$	5,000,000.	

Note: Owned Vehicles (See list of vehicles in Exhibit "B" attached)

4. POLICY COVERAGE AND CONDITIONS:

- Coverage provided for liability, accident benefits, uninsured automobile, and direct compensation (property damage)
- Coverage is automatically extended to include:
 - Newly acquired vehicles,
 - Inappropriately licensed drivers,
 - Permission to carry explosives,
 - Permission to rent or lease,
 - Damage caused by freezing of Fire-Fighting Apparatus, and
 - Permission to carry passengers for compensation.
- Replacement cost to provide repairs or replacement of vehicles with no deduction for depreciation
- Guaranteed Amount coverage can be provided on specified vehicles. Repairs or replacement will be undertaken without deduction for depreciation up to the Guaranteed Amount shown on the automobile schedule attached to the policy.
- Valued coverage can be provided on specified vehicles; usually those that are obsolete, would not be replaced, or would be replaced with a used vehicle.
- Actual cash value coverage can be provided on specified vehicles
- If a single loss involves both the Automobile and Property Insurance policies, the Property policy deductible is waived only on any insured property attached to the automobile.

5. ATTACH SPECIMEN COPY OF PROPOSED POLICY.

6. LIST EXCLUSIONS.

GARAGE AUTOMOBILE INSURANCE

- Limit - \$ 20,000,000. any one liability claim

- Customer Vehicles:
 - \$250,000. Comprehensive Limit
 - \$ 5,000. Deductible
 - \$500,000. Comprehensive Limit
 - \$ 5,000. Deductible

- Provides legal liability arising from the use or operation of any customers' vehicle or non-owned automobile or any part thereof.

- Physical Damage insures the legal liability for damage to customers' vehicles while in the care, custody or control of the Insured.

- LOCATION OF GARAGE
 - Sarnia Transit at 1169 Michener Road, Sarnia N7S 4W3

16. EVALUATION CRITERIA

Each response to this Request for Proposal will be evaluated by the City to determine the degree to which it responds to the requirements as set out. Because this is a Request for Proposal, other factors in addition to price will be considered when submissions are evaluated. Factors to be considered will include, but not necessarily be limited to:

- **Completeness of submission and project appreciation.**
 - Responsiveness to the Request for Proposal requirements as demonstrated by the proponent's ability to provide all of the coverages specified as well as all other details requested in this proposal document. The proposal will be awarded to one firm only.
- **Experience**
 - The proponent's proven ability to implement and administer the City's general insurance program.
 - The Insurer's experience in providing insurance to municipalities.
- **Services Offered**
 - Risk Management Services.
 - Claims Management Services, including evidence of how the proponent links claims analysis to their risk management advisory services.
- **Proponent's Financial Statements/Stability**
 - The Insurer's and Broker's financial strength and long-term viability, including financial statements of Main Insurers.
- **References submitted.**
- **Price**
- **Interview**
 - Depending on the initial evaluation, a short list may be selected to meet with the City to discuss their proposal in detail. It is expected that no more than three (3) representatives would provide a presentation on behalf of their firm(s) including the account executive who will be assigned to the Corporation of the City of Sarnia.

The selection committee will evaluate the consultant's proposals based on the following qualification criteria and weighting.

Evaluation Criteria		Weighting
A. The Technical Proposal	Stability & Quality of the Proponent Organization	15
	References	5
	Quality of Proponent Team & Extent of effort required by Town Staff	5
	Extent to which the proposed plan will achieve or exceed City objectives	25
	Understanding of the Services required	5
	Quality of Value Added & Other Insurance Services	5
	Ease of Transition of Insurance Program	5
B. Fee Structure	1) Insurance Premium	25
	2) Other Insurance Services	7
	3) Value Added Services	3
TOTAL SCORE		100

- If one or more firms are deemed equal in a particular item, each will receive the same points for that item.

The project will be awarded to the respondent who, in the sole judgment of the City, provides the best overall value.

Evaluation of the project manager and project support staff will include an assessment of the firms overall ability to provide multi-disciplinary capabilities and resources to this project.

The assessment of past project experience will include evaluation of the consultant's innovation and cost effectiveness, the previous experience of proposed staff for this project, the stability and reputation of the firm.

Rejection of Proposals

The City reserves the right to reject any and/or all proposals received. The City is not under any obligation to award a contract, and reserves the right to terminate the Request for Proposal at any time for any reason, and to withdraw from discussions with all or any of the proponents who have responded. The receipt and opening of a proposal does not constitute acceptance of any proposal.

BIDDER'S DECLARATION

To: THE CORPORATION OF THE CITY OF SARNIA

I/We _____
(name)

(title/position)

of _____
(name of firm)

1. DECLARE that no person, firm or corporation other than the one whose signature or the signature of whose proper officers is attached below, has any interest in this proposal or in the Contract proposed to be undertaken.
2. FURTHER DECLARE that this proposal is made without any connection, knowledge, comparison of figures or arrangement with any other company, firm or person making a proposal for the same work and is in all respects fair and without collusion or fraud.
3. FURTHER DECLARE that no City of Sarnia employee or Member of Council is, or will become interested directly or indirectly as a contracting party or otherwise, in the performance of the Contract or be entitled to any portion of the profits to be derived therefrom.
4. FURTHER DECLARE that the several matters stated in the said proposal are in all respects true.
5. FURTHER DECLARE that I/We have examined and reviewed the RFP and the Terms of Reference relating thereto, and hereby propose and offer to enter into a contract to provide all of the services required under the provisions therein set forth, and to accept in full payment therefore, the sums stated in the Form of Proposal (Price Quotation).
6. AGREE that this offer is to continue open for acceptance until a formal Contract is executed or a Purchase Order is issued to the successful bidder.

Signature of Witness

Signature of Authorized Officer

Name of Witness (print)

Name of Authorized Officer (print)

DATED at _____, this ____ day of _____, 2010.

BIDDER'S EXPERIENCE FORM

The Bidder shall list below, completed Contracts which are similar in scope to the present Bid:

1. Date Completed: _____
Value of Project: _____
Customer: _____
Description & Location: _____

Contact Person/Title: _____
Telephone Number: _____

2. Date Completed: _____
Value of Project: _____
Customer: _____
Description & Location: _____

Contact Person/Title: _____
Telephone Number: _____

3. Date Completed: _____
Value of Project: _____
Customer: _____
Description & Location: _____

Contact Person/Title: _____
Telephone Number: _____

BID EVALUATION PROCESS

1. The objective of this section is to describe the criteria in the selection of a bidder with which the City of Sarnia Purchasing Department would:

- (a) enter into a contract for the goods and services identified in the Invitation to Bid (RFQ, RFP, Tender); or,
- (b) commence the negotiation process for a contract; OR,
- (c) recommend for Sarnia City Council's consideration, the acceptance of the bid submission.

2. The following process would apply:

- (a) Scrutiny of the bid submissions relative to compliance with the requirements of the RFQ, RFP or Tender such as submission of all specified forms and schedules, meeting technical specifications including adherence to items where "No Substitutes" are allowed, and agreements with the City's general Terms & Conditions.
 - (b) Elimination of bids not meeting the fundamental requirements stated above, as well as elimination of bids not received on time.
 - (c) Elimination of bids from contractors and vendors where that contractor, vendor, or its principals have been, or currently are, involved in litigation or dispute with the City of Sarnia, other than a claim for property damage or personal injury, where that litigation or dispute impacts upon the ability of the parties to further engage in reasonable business relations.
 - (d) Evaluation of the merits of all compliant bids. The evaluation will consider financial and technical merits, vendor/contractor reputation based on past performance with City and with others, initial costs, ongoing maintenance costs and overall cost effectiveness over the long term.
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