

EWEB Board Consent Calendar Request

For Contract Awards, Renewals, and Increases

The Board is being asked to approve a new contract with **CAC Specialty** for **Commercial Insurance Broker Services**.

Board Meeting Date: September 5, 2023
Project Name/Contract #: Commercial Insurance Broker Services / RFP 23-119-PSC
Manager: Sarah Gorsegner Ext. 7348
Executive Officer: Rod Price Ext. 7122

Contract Amount:

Original Contract Amount: \$350,000
Additional \$ Previously Approved: \$0
Spend over last approval: \$0
Amount this Request: \$350,000
% Increase over last approval: NA
Resulting Cumulative Total: **\$350,000**

Contracting Method:

Method of Solicitation: Formal Request for Proposals (RFP)
If applicable, basis for exemption: NA
Term of Agreement: Initial term is one (1) year
Option to Renew? Yes, annually up to five (5) years total
Approval for purchases "as needed": Yes No
Proposals/Bids Received (Range): 5 (\$182,460 – \$575,00)
Selection Basis: Highest Ranked Proposer

Narrative:

Operational Requirement and Alignment with Strategic Plan

EWEB requires the services of qualified brokers to supplement EWEB Enterprise Risk Staff to market and administer EWEB's commercial insurance portfolio and provide other services related to insurance and risk management.

Contracted Goods or Services

The contract requires contractor to work with EWEB to design and develop the commercial insurance program, including but not limited to:

- Research insurance markets to determine appropriateness of current coverage and recommend other additional or different coverage as needed
- Obtain competitive quotes for coverage exposures
- Develop a mutually agreeable renewal action plan and timeline that highlights accountability and meets EWEB's objectives
- Assist in the evaluation of self-insurance fund administration and financing strategies, retention and deductible levels

- Identify and negotiate, with insurers, on EWEB’s behalf for most competitive costs and comprehensive coverage

Purchasing Process

In June 2023, EWEB issued a Formal Request for Proposals (RFP) for commercial insurance broker services. EWEB received five (5) responses: (1) AON of Portland, OR; (2) Brown & Brown of Portland and Eugene, OR; (3) CAC of Denver, CO; (4) Hub International of Eugene, OR; and (5) WTW of Portland, OR. The responses were evaluated based on the weighted criteria stated in the RFP which consisted of Ability/Capability to perform the work (20 points); Key Staff experience (20 points); References (10 points); Transition Management Services (10 points); Available/optional additional services (20 points); and Fees (20 points).

CAC of Denver, CO was found to be the highest ranked responsive and responsible proposer. CAC is a firm with strong key staff with a large pool of talent; broad experience providing insurance broker services to utility and public entity clients; and an extensive list of services included in their base fee. Staff has successfully negotiated a contract, and has issued a Notice of Intent to Award, pending Board approval.

The total contract amount will be approximately \$350,000 over the total five-year period. This includes an allowance of \$16,000 per year for necessary additional/optional services not included in the base price.

Bids Received

Vendor Name	City, State	Offered Price	Ranking (for RFPs)
AON	Portland, OR	\$182,460	2
Brown & Brown	Portland and Eugene, OR	\$575,000	4
CAC	Denver, CO	\$270,000	1
Hub International	Eugene, OR	\$250,000	5
WTW	Portland, OR	\$185,000	3

Prior Contract Activities – N/A

Several of the Key Staff of the Proposer were previously employed by a prior service contract holder and are familiar with many of the coverage requirements for EWEB.

ACTION REQUESTED:

Management requests the Board approve a contract with CAC Specialty for Commercial Insurance Broker Services. Approximately \$50,000 was planned for these services in the Business Continuity Division 2023 working budget of \$3.9 million. Variances will be managed within the budget process and Board policy.