Proposal Evaluation Summary

Insurance Broker and Consultant Services
Request for Proposals No. 110066-CW

General

Invitations to the RFP were sent to eleven (11) insurance brokerage companies. A Memorandum of Clarification was issued on February 9, 2011, in response to questions by potential Offerors.

Eight (8) timely proposals were received on February 15, 2011, including proposals from Alliant Insurance Services, Inc., Aon Risk Insurance Services West, Cragin & Pike, Arthur J. Gallagher Risk Management Services, Inc., Kaercher Campbell & Associates, Leavitt Insurance Agency, Orgill/Singer & Associates, Inc., and Willis of Arizona.

The Proposal Evaluation Committee consisted of CLV, Human Resources Manager-Insurance, Clark County Water Reclamation District Strategic Services, CLV City Attorney's Office.

This Proposal Evaluation Summary represents the consensus determinations of the Committee.

Selection and Evaluation Criteria

The principal criteria for award :

1. Experience, resources and qualifications of the Company and key personnel assigned to this project;
2. Well conceived work plan; and
3. Pricing.

Evaluation Process

The first Committee meeting was held on February 16th, at which time copies of the proposals were distributed to the Committee members. Confidentiality and Non-Disclosure Agreements were signed. The protection of the privacy of the proposals was discussed and evaluation worksheets were provided. Each evaluator was to review and evaluate each proposal and provide results at the next meeting.

The Committee met on March 2nd, to discuss the results of the reviews. The evaluators first ranked the respondents. This resulted in the following ranking.

1. Aon Risk Insurance Services, Inc.
2. Willis of Arizona
3. Alliant Insurance Services
4. Kaercher Campbell and Associates
5. Arthur J. Gallagher Risk Management Services
6. Orgill/Singer and Associates
7. Cragin & Pike
8. Leavitt Insurance Agency

AON Evaluation Committee Observations and Comments:

Observations/Comments	Strength	Weakness
Largest broker in the world, resulting in: depth of staff, state-of-the-art technology, innovative programs, multiple experts in all areas such as casualty coverage, risk financing, environmental, property and terrorism coverages. The city benefit s from programs and expertise developed for large multi-billion dollar, multi-national customer base. Extensive experience with municipalities. Five years experience as city of Las Vegas' broker. Exceptionally detailed Client Promise methodology for Quality Assurance & Customer Service. Customer Service model is not just a model – they utilize it meticulously and very effectively. Customer Service is quantitatively measured. 24/7 availability to account representative. Note: 12 employees located in Nevada.	Can leverage their size to get placement and pricing. Multiple resources and extremely qualified staff, including bench strength familiar with city account, plus experts in specialty areas such as risk financing in local office and environmental risks in servicing office. Principle account representative has a Doctorate in Public Policy & Administration. He is an expert in risk financing. Five years experience and knowledge of NV presumptive benefits and the issues they have presented to the city. The servicing office has over 100 public entity clients, and Aon, globally, has over 1,000 public entity clients The city's customer service experience has been exceptional: placement of property & development of builders' risk program; placement of workers' comp excess in a very reluctant market; consultation on extremely complex building projects such as the Smith Center and New City Hall; multiple training programs on liability and contract coverage provided multiple times Multiple computer systems available on-line, and owner of RMIS system – Aon/iVOS used by the city. Computer systems and software enables city to access and analyze claims data to measure injury and accident trends, payment data, measure program effectiveness	None noted

Willis of Arizona Evaluation Committee Observations and Comments:

Observations/Comments	Strength	Weakness
One of 10 largest brokers in the world. Depth of staff, resources and technology. Extensive experience with municipalities and public employers. Strong in Enterprise Risk Management. National firm, so they have strong standard required audit and customer service protocols. Reasonable pricing. Note: 14 employees located in Nevada.	Can leverage their size to get placement and pricing. Multiple resources. Experience with municipalities. Account rep has experience with NV presumptive benefits and the city's self-insurance program from previous employment at Marsh. Willis has experience working on presumptive benefit issue with state of NV re creation of a captive, and provides brokerage services to Nevada's Public Agency Compensation Trust (pool of smaller northern NV cities). (The only broker other than Aon with any experience in NV presumptive benefits.)	None noted

Alliant Evaluation Committee Observations and Comments:

Observations/Comments	Strength	Weakness
National firm with national resources – especially strong in property coverage for public entities (acknowledged in the public sector as one of the go-to firms for property). Extensive experience in municipalities. Note: 0 employees located in Nevada.	Their PEPiP program for purchasing public entity property coverage is an excellent source of well-priced coverage. Excellent response to question on creative solutions.	No experience with NV municipalities or with presumptive benefits in NV. Plan to use a benefits servicing company as their local "servicing office". This group appears to be primarily a life and health servicing company, and there is no evidence that they have any experience with NV municipalities.

Kaercher Campbell Evaluation Committee Observations and Comments:

Observations/Comments	Strength	Weakness
City of San Bernardino was their only municipal reference, and that's handled out of their California office. Listed Fremont Street Experience as a public entity client, which is an LLC – not public entity at all.) Many of their responses were generic "marketing-type" responses. Note: 46 employees located in Nevada.	Looked up NRS 617.453, 455 & 457, something even some of the national firms didn't bother to do. Their price was reasonable, but no cheaper than several other respondents.	No experience with NV municipalities. No experience with Nevada Presumptive benefits. They were non-responsive on the Customer Service Section. (14.1-14-5).

Gallagher Evaluation Committee Observations and Comments:

Observations/Comments	Strength	Weakness
National firm with national resources. Note: 17 employees located in Nevada.	Experience with municipalities in CA & UT. Good response to customer service questions.	Incomplete response. No experience with NV presumptive benefits – did not even reference it in the Sec 4(3) response, suspect that they didn't even take the hint and look it up. Answered Section 4(1) with a description of a company called Self-Funded Alternatives & said they work through them. Probably indicates that they don't do a lot of direct business in NV. No Nevada municipality experience. They were non-responsive on several items requiring signatures, which could technically have eliminated them from consideration.

Orgill/Singer Evaluation Committee Observations and Comments:

Observations/Comments	Strength	Weakness
None noted	None noted	Submitted incomplete response to RFP requirements. No municipalities, some public entity.

Cragin & Pike Evaluation Committee Observations and Comments:

Observations/Comments	Strength	Weakness
None noted	None noted	No municipalities, some public entity. Their response to question on presumptive benefits indicates they didn't even look them up to see what they were. Generally weak response to RFP requirements

Leavitt Evaluation Committee Observations and Comments:

Observations/Comments	Strength	Weakness
None noted	None noted	No municipalities, some public entity. Totally ignored question on presumptive benefits indicates they didn't even look them up to see what they were. Generally weak response to RFP requirements

Pricing

Proposed pricing of top 3 firms:

	Aon Risk Insurance Services	Willis of Arizona	Alliant
Commission or Fee	10% Workers' Comp 15% Property (FY11 $58,260)	$42K Fee	1st year $39,500 2nd year $42,500 3rd year $45,500
Consulting Fees	$175/hr Loss Control $175-$225/hr Actuary $200-$250/hr Legal (none billed for FY11)		

Conclusion

The Evaluation Committee was unanimous in recommending Aon Risk Insurance Services, Inc. for award. The basis for the recommendation is:

- Firm's size enables them to leverage most favorable insurance coverage and pricing
- Superior expertise and staff resources knowledgeable in of Nevada laws and city issues
- Exception customer service
- Demonstrated consultation and training on very complex projects to ensure risk management (Performing Arts, City Hall)
- Automated, on-line insurance tracking systems
- Fair and reasonable pricing

Recommendation

The Evaluation Committee recommends that Aon Risk Insurance Services, Inc. be awarded a contract for Insurance Broker and Consulting Services and requests that an agenda item to reflect this recommendation be placed before Council.

Cindy White
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