



STATE OF ALASKA
Department of Administration
Division of Administrative Services
10th Floor, State Office Building
Juneau, Alaska

Request For Proposals
RFP 2009-0200-8415
Date of Issue February 5, 2009
UPDATED 2-13-09

Professional Insurance Brokerage Services

It is the intent of this RFP to establish contracts with professional insurance brokers to act as insurance consultants for the negotiation, binding, and procurement of insurance coverages for all property and casualty lines of insurance required by the State and the University of Alaska.

Offerors Are Not Required To Return This Form.

Important Notice: If you received this solicitation from the State of Alaska's "Online Public Notice" website, you must register with the Procurement Officer listed in this document to receive subsequent amendments. Failure to contact the Procurement Officer may result in the rejection of your offer.

Staci Augustus
Procurement Officer
Department of Administration
staci.augustus@alaska.gov

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SECTION ONE INTRODUCTION AND INSTRUCTIONS

1.01

RFP Contact Information – Return Mailing Address, Contact Person, Telephone and Fax Numbers, and Deadline for Receipt of Proposals Schedule

Offerors must submit proposals in sealed packages to the procurement officer. The Technical Proposal must be sealed separately from the Cost Proposal and each must be clearly identified on the outside of the sealed package.

The **Technical Proposal** package must contain the following:

1. one clearly marked hard copy original technical proposal, in writing
2. five copies of the technical proposal
3. one clearly marked compact disk (CD) containing:
 - a. the technical proposal (excluding the cost proposal) in MS Word version 2003 format
 - b. the technical proposal (excluding the cost proposal) in PDF format

The **Cost Proposal** package must contain the following:

1. one clearly marked hard copy original cost proposal(s), in writing
 2. one clearly marked CD containing the cost proposal(s) in MS Word version 2003 format
- Proposal submission packages are to be labeled as follows:

Department of Administration
Division of Administrative Services
Attention: Staci Augustus
Request for Proposal (RFP) Number: 2009-0200-8415
Project name: Professional Insurance Brokerage Services

Proposals are to be mailed or delivered using the one of the following methods:

1. If using U.S. Mail, the following address applies:
Commissioner's Office Reception Desk
P.O. Box 110208
Juneau, AK 99811-0208
2. If a delivery service is used, the following address applies:
State Office Building, 10th Floor
Commissioner's Office Reception Desk
333 Willoughby Ave.
Juneau, AK 99801

CHANGED 2-13-09:

Proposals must be received no later than 1:30 P.M., Alaska Time on **Wednesday, March 11, 2009. Wednesday, March 4, 2009.** Faxed, oral, or emailed proposals are not acceptable. Failure by an Offeror to submit a proposal

1.02

Contract Term & Work Schedule

All questions concerning this Request for Proposal (RFP) must be directed to the procurement officer.

Procurement Officer: Staci Augustus

Phone (907) 465-5656, FAX (907) 465-2194, TDD (907) 465-2205

E-mail address: staci.augustus@alaska.gov

The contract term and work schedule set out herein represents the State's best estimate of the schedule that will be followed. If a component of this schedule, such as the opening date, is delayed, the rest of the schedule will be shifted by the same number of days.

The length of the contract will be from the date of award, approximately April 1, 2009 through June 30, 2010, with the option to renew for four additional one year periods. All renewal options shall be at the sole discretion of the State and University of Alaska. Unless otherwise provided in this RFP, the State and the successful offeror/contractor agree: (1) that any holding over of the contract excluding any exercised renewal options, will be considered as a month-to-month extension, and all other terms and conditions shall remain in full force and effect and (2) to provide written notice to the other party of the intent to cancel such month-to-month extension at least 30-days before the desired date of cancellation.

CHANGED 2-13-09:

~~The approximate contract schedule is as follows (all times Alaska prevailing):~~

- ~~Issue Date: February 5, 2009~~
- ~~Deadline for receipt of proposals: 1:30 P.M. Alaska Time, March 4, 2009~~
- ~~March 10, 2009—Proposal Evaluation Committee (PEC) evaluates proposals and identifies Offerors that are reasonably susceptible for award. Invitations to structured interviews are sent electronically on by March 11, 2009~~
- ~~March 16 & 17, 2009, PEC conducts structured interviews. Structured interviews will be held at a site selected by the State, located in Anchorage, Alaska~~
- ~~March 18, 2009—PEC completes evaluation~~
- ~~March 19, 2009—Best and Final Offer (potentially) and/or negotiations~~
- ~~State issues Notice of Intent to Award a Contract March 20, 2009~~
- ~~State issues contract March 31, 2009~~
- ~~Contract start April 1, 2009~~
- ~~First Contractor work period: April 1, 2009 to June 30, 2010~~

The approximate contract schedule is as follows (all times Alaska prevailing):

- Issue Date: February 5, 2009

- Deadline for receipt of proposals: 1:30 P.M. Alaska Time, March 11, 2009

- March 10, 2009 – Proposal Evaluation Committee (PEC) evaluates proposals and identifies Offers that are reasonably susceptible for award. Invitations to structured interviews are sent electronically on/by March 16, 2009
- March 23 & 24, 2009, PEC conducts structured interviews. Structured interviews will be held at a site selected by the State, located in Anchorage, Alaska
- March 26, 2009 - PEC completes evaluation
- March 27, 2009- Best and Final Offers (potentially) and/or negotiations
- State issues Notice of Intent to Award a Contract: April 1, 2009
- State issues contract: April 13, 2009
- Contract start: April 14, 2009
- First Contractor work period: April 14, 2009 to June 30, 2010

1.03 Purpose of the RFP

The Department of Administration, Division of Risk Management, and University of Alaska are soliciting detailed proposals for property/casualty professional insurance brokerage and consulting services. Contracts will be established for each major category of coverages as outlined in later sections of this RFP. Offerors may submit proposals for one, several, or all categories of coverage. Successful Offerors will be designated as the State Broker of Record and University Broker of Record for the specific group category/line of coverage for which they are selected (see Section 6.06).

1.04 Budget

In prior years the budget for the Department of Administration has been estimated between \$250,000 to \$350,000 (per contract year). The University had previously estimated a budget of approximately \$70,000 (per contract year) for completion of their portion of the contract. The budget amounts are for informational purposes only, they are not to be construed as an indicator of monetary limits.

1.05 Location of Work

The work is to be performed, completed and managed at contractor's place of business. The State will not provide workspace for the Contractor.

By signature on their proposal, the offeror certifies that:

- (a) all services provided under this contract by the contractor and all subcontractors shall be performed in the United States; and
- (b) the offeror is not established and headquartered or incorporated and headquartered in a country

1.06**Assistance to Offerors with a Disability**

recognized as Tier 3 in the most recent United States Department of State's Trafficking in Persons Report.

The most recent United States Department of State's Trafficking in Persons Report can be found at the following website: <http://www.state.gov/tip/>.

Failure to comply with (a) or (b) of this requirement will cause the state to reject the proposal as non-responsive, or cancel the contract.

1.07

Required Review

Offerors should carefully review this solicitation for defects and questionable or objectionable material. Comments concerning defects and objectionable material must be made in writing and received by the procurement officer at least ten days before the proposal opening. This will allow issuance of any necessary amendments. It will also help prevent the opening of a defective solicitation and exposure of Offeror's proposals upon which award could not be made. Protests based on any omission or error, or on the content of the solicitation, will be disallowed if these faults have not been brought to the attention of the procurement officer, in writing, at least ten days before the time set for opening.

1.08**Questions Received Prior to Opening of Proposals**

All questions must be submitted in writing and directed to the issuing office, addressed to the procurement officer (staci.augustus@alaska.gov). The interested party must confirm telephone conversations in writing.

Two types of questions generally arise. One may be answered by directing the questioner to a specific section of the RFP. These questions may be answered over the telephone. Other questions may be more complex and may require a written amendment to the RFP. The procurement officer will make that decision.

1.09**Amendments**

If an amendment is issued, it will be provided to all who were mailed a copy of the RFP and to those who have registered with the procurement officer as having downloaded the RFP from the State of Alaska Online Public Notice website.

1.10**Alternate Proposals**

Offerors may only submit one proposal per category for evaluation.

In accordance with 2 AAC 12.830 alternate proposals (proposals that offer something different than what is asked for) will be rejected.

1.11

Right of Rejection

Offerors must comply with all of the terms of the RFP, the State Procurement Code (AS 36.30), and all applicable local, State, and federal laws, codes, and regulations. The procurement officer may reject any proposal that does not comply with all of the material and substantial terms, conditions, and performance requirements of the RFP.

Offerors may not qualify the proposal nor restrict the rights of the State. If an Offeror does so, the procurement officer may determine the proposal to be a non-responsive counter-offer and the proposal may be rejected.

Minor informalities that:

- do not affect responsiveness,
- are merely a matter of form or format,
- do not change the relative standing or otherwise prejudice other offers,
- do not change the meaning or scope of the RFP,
- are trivial, negligible, or immaterial in nature,
- do not reflect a material change in the work or,
- do not constitute a substantial reservation against a requirement or provision,

may be waived by the procurement officer.

The State reserves the right to refrain from making an award if it determines that to be in its best interest. A proposal from a debarred or suspended Offeror shall be rejected.

1.12

State Not Responsible for Preparation Costs

The State will not pay any cost associated with the preparation, submittal, presentation, or evaluation of any proposal.

1.13

Disclosure of Proposal Contents

All proposals and other material submitted become the property of the State of Alaska and may be returned only at the State's option. Alaska Statute (AS) 40.25.110 requires public records to be open to reasonable inspection. All proposal information, including detailed price and cost information, will be held in confidence during the evaluation process and prior to the time a Notice of Intent to Award is issued. Thereafter, proposals will become public information.

Trade secrets and other proprietary data contained in proposals may be held confidential if the Offeror requests, in writing, that the procurement officer does so, and if the procurement officer agrees, in writing, to do so. Material considered confidential by the Offeror must be clearly identified and the Offeror must include a brief statement that sets out the reasons for confidentiality.

1.14 Subcontractors

Subcontractors may be used to perform work under this contract. If an Offeror intends to use subcontractors, the Offeror must identify in the proposal the names and addresses of the subcontractors and the portions of the work the subcontractors will perform.

If a proposal with subcontractors is selected, the Offeror must provide the following information concerning each prospective subcontractor within five working days from the date of the State's request:

- [a] complete name of the subcontractor,
- [b] complete address of the subcontractor,
- [c] type of work the subcontractor will be performing,
- [d] percentage of work the subcontractor will be providing,
- [e] evidence, as set out in the relevant section of this RFP, that the subcontractor holds a valid Alaska insurance producer's license,
- [f] a written statement, signed by each proposed subcontractor, that clearly verifies that the subcontractor is committed to render the services required by the contract.

An Offeror's failure to provide this information within the time set, may cause the State to consider the proposal non-responsive and reject the proposal. The substitution of one subcontractor for another may be made only at the discretion of the State project director (as designated by the Director of Risk Management) or University project director (Chief Risk Officer), as applicable, and with prior written approval from the appropriate project director.

1.15 Joint Ventures

Joint ventures will not be allowed.

1.16 Offeror's Certification

By signature on the proposal, Offerors certify that they comply with:

- (a) the laws of the State of Alaska,
- (b) the applicable portion of the Federal Civil Rights Act of 1964,
- (c) the Equal Employment Opportunity Act and the regulations issued there under by the federal government,
- (d) the Americans with Disabilities Act of 1990 and the regulations issued there under by the federal government,

(e) all terms and conditions set out in this RFP,

(f) a condition that the proposal submitted was independently arrived at, without collusion, under penalty of perjury,

(g) that the offers will remain open and valid for at least 90 days, and

(h) that programs, services, and activities provided to the general public under the resulting contract conform with the Americans with Disabilities Act of 1990, and the regulations issued there under by the federal government.

If any Offeror fails to comply with [a] through [h] of this paragraph, the State reserves the right to disregard the proposal, terminate the contract, or consider the Contractor in default.

1.17

Conflict of Interest

Each proposal shall include a statement indicating whether or not the firm or any individuals working on the contract has a possible conflict of interest (e.g., currently employed by the State of Alaska or formerly employed by the State of Alaska within the past two years) and, if so, the nature of that conflict. The Commissioner, Department of Administration, reserves the right to cancel the award if any interest disclosed from any source could either give the appearance of a conflict or cause speculation as to the objectivity of the program to be developed by the Offeror. The Commissioner's determination regarding any questions of conflict of interest shall be final.

1.18

Right to Inspect Place of Business

At reasonable times, the State may inspect those areas of the Contractor's place of business that are related to the performance of a contract. If the State makes such an inspection, the Contractor must provide reasonable assistance.

1.19

Solicitation Advertising

Public notice has been provided in accordance with 2 AAC 12.220.

1.20

News Releases

News releases related to this RFP will not be made without prior approval of the project director.

1.21

Assignment

Per 2 AAC 12.480, the Contractor may not transfer or assign any portion of the contract without prior written approval from the procurement officer.

1.22 Disputes

Any dispute arising out of this agreement will be resolved under the laws of the State of Alaska. Any appeal of an administrative order or any original action to enforce any provision of this agreement or to obtain relief from or remedy in connection with this agreement may be brought only in the Superior Court for the State of Alaska.

1.23 Severability

If any provision of the contract or agreement is declared by a court to be illegal or in conflict with any law, the validity of the remaining terms and provisions will not be affected; and, the rights and obligations of the parties will be construed and enforced as if the contract did not contain the particular provision held to be invalid.

1.24 Federal Requirements

The Offeror must identify (and comply with) all known federal requirements that apply to the proposal, the evaluation, or the contract.

SECTION TWO STANDARD PROPOSAL INFORMATION

2.01

Authorized Signature

All proposals must be signed by an individual authorized to bind the Offeror to the provisions of the RFP. Proposals must remain open and valid for at least 90 days from the opening date.

2.02

Site Inspection

The State may conduct on-site visits to evaluate the Offeror's capacity to perform the contract. An Offeror must agree, at risk of being found non-responsive and having its proposal rejected, to provide the State reasonable access to relevant portions of its work sites. Site inspection will be made by individuals designated by the procurement officer at the State's expense.

2.03

Amendments to Proposals

Amendments to or withdrawals of proposals will only be allowed if acceptable requests are received prior to the deadline set for receipt of proposals. No amendments or withdrawals will be accepted after the deadline unless they are in response to State's request in accordance with 2 AAC 12.290.

2.04

Supplemental Terms and Conditions

Proposals must comply with Section 1.11 Right of Rejection. However, if the State fails to identify or detect supplemental terms or conditions that conflict with those contained in this RFP or that diminish the State's rights under any contract resulting from the RFP, the term(s) or condition(s) will be considered null and void. After award of contract:

- a) if conflict arises between a supplemental term or condition included in the proposal and a term or condition of the RFP, the term or condition of the RFP will prevail; and
- b) if the State's rights would be diminished as a result of application of a supplemental term or condition included in the proposal, the supplemental term or condition will be considered null and void.

2.05

Clarification of Offers

In order to determine if a proposal is reasonably susceptible for award, communications by the procurement officer or the proposal evaluation committee are permitted with an Offeror to clarify uncertainties or eliminate confusion concerning the contents of a proposal. Clarifications may not result in a material or substantive change

2.06

Discussions with Offerors

to the proposal. The evaluation by the procurement officer or the proposal evaluation committee may be adjusted as a result of a clarification under this section.

The State may conduct discussions with Offerors in accordance with AS 36.30.240 and 2 AAC 12.290. The purpose of these discussions will be to ensure full understanding of the requirements of the RFP and proposal. Discussions will be limited to specific sections of the RFP or proposal identified by the procurement officer. Discussions will only be held with Offerors who have submitted a proposal deemed reasonably susceptible for award by the procurement officer. Discussions, if held, will be after initial evaluation of proposals by the PEC. If modifications are made as a result of these discussions they will be put in writing. Following discussions, the procurement officer may set a time for best and final proposal submissions from those Offerors with whom discussions were held. Proposals may be reevaluated after receipt of best and final proposal submissions.

If an Offeror does not submit a best and final proposal or a notice of withdrawal, the Offeror's immediate previous proposal is considered the Offeror's best and final proposal.

Offerors with a disability needing accommodation should contact the procurement officer prior to the date set for discussions so that reasonable accommodation can be made. Any oral modification of a proposal must be reduced to writing by the Offeror.

2.07

Minimum Experience Requirements

In order for the proposal to be considered responsive, Offerors must clearly demonstrate within their proposal that they have ten years brokerage activity experience on the following for each category (line of business) the Offeror submits a proposal:

1. Property and Casualty programs for governmental entities (which may or may not contain Excess Coverages with high Self Insured Retentions).
2. Marine Insurance or Marine Excess Insurance programs for governmental entities or large Marine Commercial Operations including protection and indemnity, hull and machinery, seepage and pollution, marina operators, wharftingers, and vessel seizure legal liability.
3. Aviation – Airport Liability including aircraft legal liability, non-owned aircraft hull and legal liability, and hangar keeper's liability.
4. Bonds and Miscellaneous Coverages – including customs bonds, public officials bonds, faithful performance blanket bonds, computer fraud, 3-D bonds, and foreign liability bonds.

Offerors are required to demonstrate that they meet the minimum prior experience by using Attachment 2 and provide evidence that confirms the Offeror meets the minimum requirements. Acceptable evidence includes a letter from the client that verifies the Offeror performed the services as specified with the requirements above. If a letter is not included in the proposal, the client will be contacted by the State to verify the experience. Attachment 2 must specifically cite the location of the evidence, the evidence must be located in the proposal, and Attachment 2 must also be located in the proposal.

Failure by Offeror to meet these minimum experience requirements will cause the proposal to be considered nonresponsive and the proposal will be rejected.

2.08 Evaluation of Proposals

The procurement officer, or an evaluation committee made up of at least three State employees including one University of Alaska employee, will evaluate proposals. The evaluation will be based solely on the evaluation factors set out in Section SEVEN of this RFP.

After receipt of proposals, if there is a need for any substantial clarification or material change in the RFP, an amendment will be issued. The amendment will incorporate the clarification or change, and a new date and time established for new or amended proposals. Evaluations may be adjusted as a result of receiving new or amended proposals.

2.09 Vendor Tax ID

A valid Vendor Tax ID must be submitted to the issuing office with the proposal or within five days of the State's request.

2.10 Alaska Business License & Other Required Licenses

At the time the proposals are opened, all Offerors must hold a valid Alaska Insurance License required under AS 21 (such as a Surplus Lines Brokers License issued under AS 21.27). Proposals must be submitted under the name as appearing on the offeror's current Alaska Insurance License, in order to be considered responsive. Offerors should contact the Department of Commerce, Community and Economic Development, Division of Insurance, P. O. Box 110805, Juneau, Alaska 99811-0805, for information on these licenses. Offerors must submit evidence of a valid Alaska Insurance License with the proposal. An Offeror's failure to submit this evidence with the proposal may cause their proposal to be determined non-responsive. Acceptable evidence that the Offeror possesses a valid Alaska Insurance License may consist of any one of the following:

- (a) Copy of an Alaska Insurance License with the correct NAIC or NIPR code;
- (b) Certification on the proposal that the Offeror has a valid Alaska Insurance License and has included the license number in the proposal;
- (c) A canceled check for the Alaska Insurance License fee with accompanying documentation indicating that the license will be or is in the process of being issued by the Division of Insurance;
- (d) A copy of the Alaska Insurance License application with a receipt stamp from the State's Division of Insurance licensing office; or
- (e) A sworn and notarized affidavit that the Offeror has applied and paid for the Alaska Insurance License.

You are not required to hold a valid Alaska business License at the time proposals are opened if you possess one of the following licenses and are offering services or supplies under that specific line of business:

- (a) Fisheries business licenses issued by Alaska Department of Revenue or Alaska Department of Fish and Game;
- (b) Liquor licenses issued by Alaska Department of Revenue for alcohol sales only;
- (c) Insurance licenses issued by Alaska Department of Commerce, Community and Economic Development, Division of Insurance; or
- (d) Mining licenses issued by Alaska Department of Revenue.

Please note that for this procurement, (c) above applies.

2.11

Application of Preferences

Certain preferences apply to all contracts for professional services, regardless of their dollar value. The Alaskan Bidder and Offeror preferences are the two most common preferences involved in the RFP process. Additional preferences that may apply to this procurement are listed below. Guides that contain excerpts from the relevant statutes and codes, explain when the preferences apply and provide examples of how to calculate the preferences are available at the Department of Administration, Division of General Services' website:

<http://www.state.ak.us/local/akpages/ADMIN/dgs/policy.htm>

Alaska Products Preference - AS 36.30.332
 Recycled Products Preference - AS 36.30.337
 Local Agriculture and Fisheries Products Preference - AS 36.15.050
 Employment Program Preference - AS 36.30.170(c)
 Alaskans with Disability Preference - AS 36.30.170 (e)
 Employers of People with Disabilities Preference - AS 36.30.170 (f)

The Division of Vocational Rehabilitation in the Department of Labor and Workforce Development keeps a list of qualified employment programs; a list of individuals who qualify as persons with a disability; and a list of persons who qualify as employers with 50 percent or more of their employees being disabled. A person must be on this list at the time the bid is opened in order to qualify for a preference under this section.

As evidence of an individual's or a business' right to a certain preference, the Division of Vocational Rehabilitation will issue a certification letter. To take advantage of the Employment Program Preference, Alaskans with Disability Preference or Employers of People with Disabilities Preference described above, an individual or business must be on the appropriate Division of Vocational Rehabilitation list at the time the proposal is opened, and must provide the procurement officer a copy of their certification letter. Offerors must attach a copy of their certification letter to the proposal. The Offeror's failure to provide the certification letter mentioned above with the proposal will cause the State to disallow the preference.

2.12

5 Percent Alaskan Bidder Preference 2 AAC 12.260 & AS 36.30.170

An Alaskan Bidder Preference of five percent will be applied prior to evaluation. The preference will be given to an Offeror who:

- (a) holds a current Alaska business license;
- (b) submits a proposal for goods or services under the name on the Alaska business license;
- (c) has maintained a place of business within the state staffed by the Offeror, or an employee of the Offeror, for a period of six months immediately preceding the date of the proposal;
- (d) is incorporated or qualified to do business under the laws of the State, is a sole proprietorship and the proprietor is a resident of the state, is a limited liability company organized under AS 10.50 and all

2.13

Formula Used to Convert Cost to Points

AS 36.30.250 & 2 AAC 12.260

The distribution of points based on cost will be determined as set out in 2 AAC 12.260 (d). The lowest cost proposal will receive the maximum number of points allocated to cost. The point allocations for cost on the other proposals will be determined through the method set out below. In the generic example below, cost is weighted as 40% of the overall total score.

EXAMPLE

Formula Used to Convert Cost to Points

[STEP 1]

List all proposal prices, adjusted where appropriate by the application of all applicable preferences.

Offeror #1	-	Non-Alaskan Offeror	\$40,000
Offeror #2	-	Alaskan Offeror	\$42,750
Offeror #3	-	Alaskan Offeror	\$47,500

[STEP 2]

Convert cost to points using this formula.

$$\frac{[(\text{Price of Lowest Cost Proposal}) \times (\text{Maximum Points for Cost})]}{(\text{Cost of Each Higher Priced Proposal})} = \text{POINTS}$$

The RFP allotted 40% (40 points) of the total of 100 points for cost.

Offeror #1 receives 40 points.

The reason they receive that amount is because the lowest cost proposal, in this case \$40,000, receives the maximum number of points allocated to cost, 40 points.

Offeror #2 receives 37.4 points.

$$\begin{array}{rcll} \$40,000 & \times & 40 & \text{MAX POINTS} \\ & & = & \\ & & 1,600,000 & \\ & \div & \$42,750 & \text{OFFEROR \#2} \\ & & = & \\ & & 37.4 & \text{POINTS} \end{array}$$

ADJUSTED BY
THE APPLICATION OF
ALL APPLICABLE
PREFERENCES

LOWEST COST	x	40	=	1,600,000	÷	\$47,750	=	33.7	POINTS
MAX POINTS ADJUSTED BY OFFEROR #3 THE APPLICATION OF ALL APPLICABLE REFERENCES									

2 AAC 12.260(e) provides Alaskan Offerors a 10 percent overall evaluation point preference. Alaskan Bidders, as defined in AS 36.30.170(b), are eligible for the preference. This preference will be added to the overall evaluation score of each Alaskan Offeror. Each Alaskan Offeror will receive 10 percent of the total available points added to their evaluation score as a preference.

Alaskan Offeror's Preference

[STEP 1]

Total number of points available - 100 Points

100	x	10%	=	10
Total Points Available		Alaskan Offers Percentage Preference		Number of Points Given to Alaskan Offers Under the Preference

[STEP 2]

Offeror #1 - 89 points
Offeror #2 - 80 points
Offeror #3 - 88 points

Offeror #1 - 89 points
Offeror #2 - 90 points
Offeror #3 - 98 points

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2.15 Contract Negotiations

2AAC 12.315 CONTRACT NEGOTIATIONS. After final evaluation, the procurement officer may negotiate with the Offeror of the highest-ranked proposal. Negotiations, if held, shall be within the scope of the request for proposals and limited to those items which would not have an effect on the ranking of proposals. If the highest-ranked Offeror fails to provide necessary information for negotiations in a timely manner, or fails to negotiate in good faith, the State may terminate negotiations and negotiate with the Offeror of the next highest-ranked proposal. If contract negotiations are commenced, they may be held in the Commissioner's conference room on the 10th floor of the State Office Building in Juneau, Alaska.

If the contract negotiations take place in Juneau, Alaska, the Offeror will be responsible for their travel and per diem expenses.

2.16 Failure to Negotiate

If the selected Offeror

- fails to provide the information required to begin negotiations in a timely manner; or
- fails to negotiate in good faith; or
- indicates they cannot perform the contract within the budgeted funds available for the project; or
- if the Offeror and the State, after a good faith effort, simply can not come to terms,

the State may terminate negotiations with the Offeror initially selected and commence negotiations with the next highest ranked Offeror.

2.17

Notice of Intent to Award (NIA) — Offeror Notification of Selection

After the completion of contract negotiation(s) the procurement officer will issue a written Notice of Intent to Award (NIA) and send copies to all Offerors. The NIA will set out the names of all Offerors and identify the Offeror(s) selected for award.

2.18 Protest

AS 36.30.560, provides that an interested party may protest the content of the RFP.

An interested party is defined in 2 AAC 12.990(a)(7) as "an actual or prospective bidder or Offeror whose economic interest might be affected substantially and directly by the issuance of a contract solicitation, the award of a contract, or the failure to award a contract."

If an interested party wishes to protest the content of a solicitation, the protest must be received, in writing, by the procurement officer at least ten days prior to the deadline for receipt of proposals.

AS 36.30.560 also provides that an interested party may protest the award of a contract or the proposed award of a contract.

If an Offeror wishes to protest the award of a contract or the proposed award of a contract, the protest must be received, in writing by the procurement officer within ten days after the date the NIA the contract is issued.

A protester must have submitted a proposal in order to have sufficient standing to protest the proposed award of a contract. Protests must include the following information:

- (a) the name, address, and telephone number of the protester;
- (b) the signature of the protester or the protester's representative;
- (c) identification of the contracting agency and the solicitation or contract at issue;
- (d) a detailed statement of the legal and factual grounds of the protest including copies of relevant documents; and
- (e) the form of relief requested.

Protests filed by telex or telegram are not acceptable because they do not contain a signature. Fax copies containing a signature are acceptable.

The procurement officer will issue a written response to the protest. The response will set out the procurement officer's decision and contain the basis of the decision within the statutory time limit in AS 36.30.580. A copy of the decision will be furnished to the protester by certified mail, fax or another method that provides evidence of receipt.

All Offerors will be notified of any protests. The review of protests, decisions of the procurement officer, appeals, and hearings, will be conducted in accordance with the State Procurement Code (AS 36.30), Article 8 " Legal and Contractual Remedies."

SECTION THREE STANDARD CONTRACT INFORMATION

3.01 Contract Type

The contract(s) resulting from this RFP will be firm fixed price with adjustments. Contract prices will remain firm through June 30, 2010. Pricing adjustments for subsequent years will be made in accordance with the percentage change in the U.S. Department of Labor Consumer Price Index (CPI-W) for Urban Wage Earners and Clerical Workers, All Items, Anchorage Area.

Contractors must request price adjustments, in writing, 30 days prior to the renewal date. If a Contractor fails to request a CPI price adjustment 30 days prior to the adjustment date, the adjustment will be effective 30 days after the State receives their written request.

The price adjustment rate will be determined by comparing the percentage difference between the CPI in effect for the base year six month average January through June 2008, and each January through June six month average thereafter. The percentage difference between those two CPI issues will be the price adjustment rate. No retroactive contract price adjustments will be allowed.

CPI Reports are available online at: <http://data.bls.gov/PDQ/outside.jsp?survey=cw>

1. City: Anchorage, AK
2. Item: All Items
3. Seasonal Adjustment: Not Seasonally Adjusted

3.02

Contract Approval

This RFP does not, by itself, obligate the State or the University of Alaska. The State's and University's obligation will commence when the contract is approved by the Commissioner of the Department of Administration's designee. Upon written notice to the Contractor, the State may set a different starting date for a contract. The State and the University of Alaska will not be responsible for any work done by the Contractor, even work done in good faith, if it occurs prior to the contract start date set by the State.

3.03

Standard Contract Provisions

The Contractor will be required to sign and submit the attached State's Standard Agreement Form for Professional Services Contracts (form 02-093/Appendix A), attached. The Contractor must comply with the contract provisions set out in this attachment. No alteration of these provisions will be permitted without prior written approval from the Department of Law. Objections to any of the provisions in Appendix A must be set out in the Offeror's proposal.

3.04

Proposal as a Part of the Contract

Part or all of this RFP and the successful proposal may be incorporated into the contract.

3.05

Additional Terms and Conditions

The State reserves the right to add terms and conditions during contract negotiations. These terms and conditions will be within the scope of the RFP and will not affect the proposal evaluations.

3.06**Insurance Requirements**

The successful Offeror must provide proof of workers' compensation insurance prior to contract approval.

The successful Offeror must secure the insurance coverage required by the State. The coverage must be satisfactory to the Division of Risk Management. An Offeror's failure to provide evidence of such insurance coverage is a material breach and grounds for withdrawal of the award or termination of the contract.

Offerors must review form **APPENDIX B2** (attached) for details on required coverages.

3.07**Contract Funding**

Approval or continuation of a contract resulting from this RFP is contingent upon legislative appropriation.

3.08**Proposed Payment Procedures**

The State of Alaska will make monthly or annual payments based on the cost proposal(s) and as negotiated in final. Each billing must be invoiced, and no payment will be made until the invoice has been approved by the respective project director. The University of Alaska will make full payment based on the cost proposal(s) and as negotiated in the final contract.

3.09**Contract Payment**

No payment will be made until the Commissioner of the Department of Administration or the Commissioner's designee approves the contract. Under no conditions will the State or the University of Alaska be liable for the payment of any interest charges associated with the cost of the contract.

The State and the University are not responsible for, and will not pay local, state, or federal taxes. All costs associated with the contract must be stated in U.S. currency.

3.10**Contract Personnel**

Offerors must list in their proposal the names and qualifications of all key staff expected to work as insurance producers/brokers on the State of Alaska account. Any change of the key staff named in the proposal must be approved, in advance and in writing, by the affected project director(s). Personnel changes of the key staff that are not approved by the State may be grounds for the State to terminate the contract.

As used in this RFP, the term "key staff" shall refer to the Offeror's personnel that fulfill the functions of a "Lead Account Executive" and the "First Alternate" for same.

3.11**Inspection & Modification - Reimbursement for Unacceptable Deliverables**

The Contractor is responsible for the completion of all work set out in the contract. All work is subject to inspection, evaluation, and approval by the respective project directors. The State and University may employ all reasonable means to ensure that the work is progressing and being performed in compliance with the contract. Should the procurement officer determine that corrections or modifications are necessary in order to accomplish its intent, the procurement officer may direct the Contractor to make such changes. The Contractor will not unreasonably withhold such changes.

Substantial failure of the Contractor to perform the contract may cause the State and/or University to terminate the contract. In this event, the State and/or University may require the Contractor to reimburse monies paid (based on the identified portion of unacceptable work received) and may seek associated damages.

3.12

Termination for Default

If the State and/or University project director determines that the Contractor has refused to perform the work or has failed to perform the work with such diligence as to ensure its timely and accurate completion, the State and/or University may, by providing written notice to the Contractor, terminate the Contractor's right to proceed with part or all of the remaining work. This clause does not restrict the State and/or University's termination rights under the contract provisions of Appendix A, attached.

3.13

Contract Changes - Unanticipated Amendments

During the course of this contract, the Contractor may be required to perform additional work. That work will be within the general scope of the initial contract. When additional work is required, the respective project director will provide the Contractor a written description of the additional work and request the Contractor to submit a firm time schedule for accomplishing the additional work and a firm price for the additional work. Cost and pricing data must be provided to justify the cost of such amendments per AS 36.30.400.

The Contractor will not commence additional work until the respective project director has secured any required State or University approvals necessary for the amendment and issued a written contract amendment, approved by the Commissioner of the Department of Administration or the Commissioner's designee or by the respective University authority.

3.14

Contract Invalidation

If any provision of this contract is found to be invalid, such invalidation will not be construed to invalidate the entire contract.

3.15

Nondisclosure and Confidentiality

Contractor agrees that all confidential information shall be used only for purposes of providing the deliverables and performing the services specified herein and shall not disseminate or allow dissemination of confidential information except as provided for in this section. The contractor shall hold as confidential and will use reasonable care (including both facility physical security and electronic security) to prevent unauthorized access by, storage, disclosure, publication, dissemination to and/or use by third parties of, the confidential information. "Reasonable care" means compliance by the contractor with all applicable federal and state law, including the Social Security Act and HIPAA. The contractor must promptly notify the state in writing if it becomes aware of any storage, disclosure, loss, unauthorized access to or use of the confidential information.

Confidential information, as used herein, means any data, files, software, information or materials (whether prepared by the state or its agents or advisors) in oral, electronic, tangible or intangible form and however stored, compiled or memorialized that is classified confidential as defined by State of Alaska classification and categorization guidelines (i) provided by the state to the contractor or a contractor agent or otherwise made available to the contractor or a contractor agent in connection with this contract, or (ii) acquired, obtained or learned by the contractor or a contractor agent in the performance of this contract. Examples of confidential information include, but are not limited to: technology infrastructure, architecture, financial data, trade secrets, equipment specifications, user lists, passwords, research data, and technology data (infrastructure, architecture, operating systems, security tools, IP addresses, etc).

If confidential information is requested to be disclosed by the contractor pursuant to a request received by a third party and such disclosure of the confidential information is required under applicable state or federal law, regulation, governmental or regulatory

authority, the contractor may disclose the confidential information after providing the state with written notice of the requested disclosure (to the extent such notice to the state is permitted by applicable law) and giving the state opportunity to review the request. If the contractor receives no objection from the state, it may release the confidential information within 30 days. Notice of the requested disclosure of confidential information by the contractor must be provided to the state within a reasonable time after the contractor's receipt of notice of the requested disclosure and, upon request of the state, shall seek to obtain legal protection from the release of the confidential information.

The following information shall not be considered confidential information: information previously known to be public information when received from the other party; information freely available to the general public; information which now is or hereafter becomes publicly known by other than a breach of confidentiality hereof; or information which is disclosed by a party pursuant to subpoena or other legal process and which as a result becomes lawfully obtainable by the general public.

SECTION FOUR BACKGROUND INFORMATION

4.01 State of Alaska/Department of Administration

HISTORY

The State risk management program started in 1972, after an independent audit report focused on the State's need for a coordinated and professionally managed insurance program. The State established the Alaska Division of Risk Management (ADRM) in 1979 as growth created additional and more complicated insurance demands. With a present staff of five – the ADRM operates from the State Office Building in Juneau - serving a statewide constituency that includes all departments of the executive, legislative, and judicial branches of State government; all State boards and commissions; their respective employees and members. The risk management program affects those who contract (purchase, professional service, and lease agreements) with State agencies and all Alaskans that claim the State is legally liable for their individual property damage or personal injury.

By effectively managing the State's property and liability exposures through a comprehensive self-insurance program, the ADRM expends less public funds than would be paid to private insurance companies and provides streamlined claims services utilizing professional adjusting firms located throughout Alaska.

PURPOSE

The objective of ADRM is to protect the financial assets and operations of the State of Alaska from accidental loss through a comprehensive self-insurance program for normal and expected property and casualty claims of high frequency and low severity, combined with high limit broad form excess insurance protection for catastrophic loss exposures.

INSURANCE ADMINISTRATION

Risk Management acts as the insurance carrier for each State agency, funding all sudden and accidental property and casualty claims.

In FY2009 the State completely self-insures all statutory workers' compensation claims, self-insures combined casualty and professional liability; \$1 million per claim for property and marine risks; and \$250,000 per incident for airport and aviation liability exposures. Limits of excess insurance vary by risk, \$50 million for marine hull and liability, \$200 million for property, and \$500 million for airport liability.

Various insurance companies and Lloyd's of London underwriting syndicates participate in the State of Alaska's current excess insurance program.

Additional background information on the ADRM, its operations and its role in State government can be found online at <http://www.state.ak.us/local/akpages/ADMIN/drm/>

The following is a brief overview of the State's FY09 excess insurance program: (M = Million)

Coverage	Self-Insured Retention	Limits of Insurance
Property (all risk)	\$1M each loss (included)	\$200M each loss
Data Processing Equipment	(included)	
Museum Fine Arts	(included)	
Earthquake & Flood	5% (subject to minimum \$1M each loss)	Approx. \$24M in Specified Values \$100M Per Occurrence & Annual Aggregate
Boiler & Machinery	\$50,000	\$25M

4.02

University of Alaska Insurance Program:

The University of Alaska consists of three main campuses (Anchorage, Fairbanks, and Juneau), thirteen colleges, and several extension centers. The University of Alaska operates its own risk management office and provides similar services to the University system as does the ADRM for the State. The System Office of Risk Services acts as the insurance carrier for each campus, funding all sudden and accidental property, casualty, and workers' compensation claims.

The University self-insures all statutory workers' compensation claims, self-insures the first \$2 million per occurrence for general (premises and operations) and professional liability; \$2 million per loss in automobile liability; \$250,000 per claim for property, \$100,000 per claim for marine risks; and \$250,000 per incident for aviation liability exposures. Limits of excess insurance vary by risk, reaching up to \$200 million for property and \$500 million for aviation.

United Educators, several domestic carriers, and various Lloyd's of London underwriting syndicates participate in the University of Alaska's insurance program which also includes several specialty policies geared towards student activities and foreign operations.

Additional background information on the University of Alaska's Risk Services Department, its operations, and its role within the university system can be found online at www.alaska.edu/risksafety.

The following is a brief overview of the FY09 University of Alaska insurance program: (M = Million)

Coverage Type	Self-Insured Retention	Limits of Insurance
Property (all risk)	\$250,000 each loss	\$200M (100M excess 100M) excludes Q/F
Data Processing Equipment	(included)	
Museum Collection	(included)	Approx. \$355M in Specified Values

Earthquake & Flood	5% (subject to minimum \$250,000 each loss)	\$100M
Boiler & Machinery	\$50,000	\$50M
Casualty (including general, auto and professional liability, medical malpractice, director & officers, educators legal liability, employment practices, etc.)	\$2M each loss	\$25M
Foreign Liability	None	\$2M
Workers' Compensation	Fully self-insured	Statutory Limits
Marine Liability	\$100,000	\$50M
Aviation Liability	\$250,000	\$500M
Airport	\$250,000	\$25M
Aircraft Liability	\$250,000	\$25M
Flight School	\$1M	\$25M
Bonds		
Custom Importer	None	\$100,000
Permit Bond	None	\$10,000
Postal Bond	None	\$60,000
Crime (including employee theft, premises, transit, depositor's forgery, & computer fraud)	\$100,000	\$25M
Athletics	\$500 UAF - \$1000 UAA	\$20M
Auto/Equip PD	\$1,000 Auto	ACV
	\$5,000 Equip	RC
Blanket Accident (Early Childhood Dev)	None	\$50,000
Event Insurance	None	\$1M
Foreign Visitor	None	\$50,000
Key Person	None	\$3M
Sports Camps	None	\$1M
Student Professional Liability	None	\$5M
Travel Accident:		
Group	None	\$250,000
Board of Regents	None	\$500,000
Student	None	\$50,000
University of Alaska Foundation:		
General Liability	None	\$2M
Directors & Officers	None	\$2M

SECTION FIVE SCOPE OF WORK

5.01 Scope of Work

This RFP will establish contracts for insurance brokerage and consulting services to be provided to the State of Alaska (and its departments and divisions) and the University of Alaska system.

This RFP is not an authorization to pre-approach insurance companies or other underwriting sources on behalf of the State of Alaska or the University of Alaska for the purposes of preparing a response to this RFP or the oral presentation. The State specifically requests that no insurance market contact or solicitation be made at this time and that no insurance market reservations be made by or for any Offerors as respects to any insurance or reinsurance to be provided for the State or University. Failure to comply with this request may result in disqualification of the Offeror.

Contracts will be established for each major category of coverages as outlined in later sections of this RFP. Offerors may submit proposals for one, several or all categories of coverage. Successful Offerors will be designated as the State Broker of Record and University Broker of Record for the specific group category/line of coverage for which they are selected (see Section 6.06).

The Alaska Industrial Development and Export Authority (AIDEA) (which includes the former Alaska Energy Authority [AEA]) is presently included in the State insurance program. Separate project-specific property and boiler/machinery policies are purchased for AIDEA/AEA in excess of primary coverage supplied through the Alaska Rural Electric Cooperative Association (ARECA) Insurance Exchange for the contracted local utility operator on the Fairbanks Interlie, Larsen Bay, and the Bradley Lake projects.

Other large State entities, which are included within the professional services sought by this RFP are: the University of Alaska, Alaska Aerospace Development Corporation (AADC), and all other State boards and commissions. The following State entities are not included within the professional services contemplated by this RFP: the Alaska Railroad Corporation (ARRC), the Alaska Housing Finance Corporation (AHFC), and the Rural Education Attendance Area (REAA) school system. Also excluded from this RFP are services related to State employee benefits.

Services to be provided:

1. The successful Offeror(s) will provide comprehensive insurance consultation and insurance marketing services (estimate, design, market, negotiate, place, and service) in the following areas:

- | | |
|-----|---|
| [a] | Property including excess flood and earthquake; |
| [b] | Boiler and machinery; |
| [c] | Casualty – University Only (including general, auto and professional liability, medical malpractice, director and officers, educators legal liability, employment practices, etc.); |
| [d] | Marine Liability/Protection & Indemnity & Marine Hull; |
| [e] | Aviation including Airport Liability; |
| [f] | Crime coverages (University only); |
| [g] | Employee Fidelity and other Bonds; and |
| [h] | Special Risk policies |

2. Provide comprehensive risk management and insurance marketing services including risk identification, measurement, analysis and other services. The contractor will be expected to provide a written annual report outlining the status of the current program, and a preliminary marketing report describing the condition of the market(s) and general trends which might affect the State and University programs. This report should also clearly outline suggestions for future marketing strategies and provide any other useful information that might be of benefit to Risk Management.

The ADRM has a small staff, as does the University of Alaska System Office of Risk Services. The amount and type of communications between the agent/broker and the State/University varies, depending upon the type of insurance involved. However, in general, it can be stated that communications are required in the form of telephone conversations, email and letter correspondence, pre- and post- marketing reports, management status/quarterly reports, annual reports, and occasional

The contractor(s) will be required to provide a written quarterly management report informing the Division of Risk Management and University of Alaska of the current status of claims involving excess layer penetration, changes in legislation/regulations and any trends or issues in the marketplace that might have an effect on the State and University programs. The contractor(s) may also be required, on an occasional basis, to provide assistance and support to Risk Management in presentations of the program to executives and Legislative agencies.

SECTION SIX PROPOSAL FORMAT AND CONTENT

6.01 Proposal Format and Content

The State discourages overly lengthy and costly proposals, however, in order for the State to evaluate proposals fairly and completely, Offerors must follow the format set out in this RFP and provide all information requested for each individual category for which the Offeror is submitting a proposal. There are six categories of brokerage services. Offerors must submit a separate proposal for each category that they are proposing.

6.02 Introduction

Proposals must include the complete name and address of Offeror's firm and the name, mailing address, and telephone number of the person the State should contact regarding the proposal. The proposal must clearly identify which category the proposal is responding to.

Proposals must include a letter of transmittal that confirms that the Offeror will comply with all provisions in this RFP, and, if applicable, provide notice that the firm qualifies as an Alaskan bidder. The letter of transmittal must be signed by a company officer empowered to bind the company and must comply with Section 1.16 of this RFP. An Offeror's failure to include these items in the proposals may cause the proposal to be determined non-responsive and the proposal may be rejected.

6.03 Understanding of the Services Requested

Offerors must provide a comprehensive narrative statement within their proposal that:

1. Demonstrates their understanding of the requirements of the services requested; and
2. Identifies pertinent issues and potential problems.

6.04 Methodology and Management Plan

Offerors must provide a comprehensive narrative statement within their proposal that sets out the methodology the Offeror intends to employ and illustrates how their methodology will serve to best provide the services described in Section 5. Additionally, proposals should be broken down into the following component parts for the purposes of presentation. The following format is applicable to all of the categories of coverage.

Program Design

Describe the methodology of designing an insurance program that meets the needs of the State and University (current programs outlined in Section 4). Include the following: risk analysis; design of coverage forms; structure of offerings to be presented to underwriters such as the use of deductibles, self-insured retentions, and aggregate stop-loss coverages; layering of primary and excess coverages; use of subscription policies; how pricing would be determined; alternative risk transfer options; available services provided by insurers as part of the insurance marketing package.

Selection of and Approach to Markets

Describe and give examples of underwriting presentations and insurance specifications. List markets the Offeror has access to or that the Offeror would approach, in order of preference, for each line of coverage. Offerors should describe in detail their approach to the marketplace, whether directly or through surplus lines facilities, specialty brokerage firms, foreign brokers or facilities, reinsurance intermediaries, etc. Specifically describe the Offeror's involvement in reinsurance arrangements that might

be applicable to this program.

For each insurance market or underwriting source contemplated for use in placement of this insurance program, discuss the following:

- ◆ The reasons for choosing that particular source;
- ◆ The Offeror's experience of success with similar placements for other clients;
- ◆ The Offeror's current premium volume with that market source, and;
- ◆ The specific procedures or methodology currently in use by the Offeror to evaluate each domestic and foreign insurer used in their marketing programs with respect to their overall financial integrity, and the determination of the level or amount of coverage limits that can be safely placed with that source.

If the Offeror's methodology contemplates use of excess/surplus lines facilities, specialty or foreign brokers, reinsurance intermediaries or "wholesale" brokerage facilities of any kind, Offerors should discuss their relationship with them and identify any such entities owned (in whole or in part) by your firm or controlled in any way by the Offeror. Describe any other special relationships between such entities and the Offeror.

For major lines of coverage, the State is especially interested in the Offeror's capability and expertise in accessing all domestic and foreign insurance markets.

Identify the role, if any, of the ADRM in the marketing effort. Offerors should describe any factors which they think could have a critical impact on State insurance placements. Comment on the same issues with respect to the University of Alaska insurance program.

6.05

Experience, Qualifications & References

In addition to demonstration of the minimum experience requirements detailed in Section 2.07, Offerors should provide a detailed summary of the Offeror including:

- ◆ History
- ◆ Ownership and principal officers
- ◆ Financial status with current financial statements
- ◆ Experience relating to the services described in this RFP
- ◆ Office(s) that would provide the services and resources
- ◆ Major claims or lawsuits, if any, pending against the firm and that should be considered material to the firm's financial status or which could potentially affect the successful performance of this project
- ◆ Scope and limits of Errors & Omissions Liability Insurance and Employee Dishonesty Insurance currently in force

Personnel

Proposals should identify and describe the pertinent experience of the following personnel in the Offeror's firm who would act in the following capacities:

- ◆ The proposed Account Manager (AM)
- ◆ Other individuals who would provide support to the AM
- ◆ Marketing experts and other personnel who would be involved in servicing the account
- ◆ Provide complete details on the functions to be performed by the above individuals and how their activities would be directed and coordinated. Include resumes of all persons involved in the servicing of the account. For each person involved, describe their:

- ◆ Alaskan experience;
- ◆ Governmental entity experience;
- ◆ Experience with risks similar to the State and its agencies and operations;
- ◆ Experience with public universities.

Include information about the current and expected workloads of key personnel so that an assessment can be made about adequacy of account management staffing and availability of key personnel for day-to-day, exceptional consultation, and other servicing needs.

References

Each proposal must include one letter of reference, from a current large public entity and/or higher education institution, which may be contacted by the Division of Risk Management and University of Alaska. Each reference letter should include the name of the entity; name and title of the person responsible for the entity's insurance; address, telephone number, and description of services performed and/or type of insurance placed; the date of such services and/or insurance placement(s); and the person(s) within the Offeror's firm who performed the described services. Additionally, the reference letter should explain their experience with the Offeror, including how well they performed, whether they would recommend the Offeror for similar work, and any positive or negative aspects relating to the Offeror's performance.

6.06

Cost Proposal

Offeror's cost proposals must be broken down for each and every major category/line of business for which the Offeror is submitting a proposal. Please note that Categories I, II, & III combine the needs of both the SOA and University. The categories are summarized below:

Category I – SOA & University

- **Property** – All risk including quake and flood, extending to cover Data Processing Equipment and Museum Fine Arts;
- **Boiler & Machinery** –
- **AIDEA/AEA - Four Dam Pool and intertie** – <http://www.alaska.net/~aidea/> - Property for the following:
 - Bradley Lake Hydroelectric Project (including Boiler and Machinery)
 - Skagway Ore Terminal
- **Alaska Aerospace Development Corporation (AADC)** - <http://www.state.ak.us/local/akpagas/COMMERCE/aadc.htm> - Property coverages.

Category II – SOA & University

- **Marine Liabilities** – Includes Hull and Machinery, Protection and Indemnity, Seepage/Pollution, Marina Operators, Wharftingers, and Vessel Seizure Legal Liability
- **Pollution Liabilities**

Category III – SOA & University

- **Aviation & Airport Liabilities** – Includes aircraft legal liability, airport liability, owned and non-owned aircraft hull and legal liability, hangar keeper's liability, and the University Flight School

Category IV – University Only – See section 4

- **Casualty** – Includes General Liability, Auto Liability, Professional Liability, Medical Malpractice, Directors and Officers, Educators Legal Liability, Employment Practices
- **Bonds** - Customs, Permit Bond, Postal Bond
- **University of Alaska Foundation**
- **Crime**

Category V – University Miscellaneous

- **Athletics** - Including UAF & UAA, Auto/Equipment Physical Damage, Blanket Accident (Early Childhood Development), Event Insurance, Foreign Visitor, Key Person, and Sport Camps
- **Student Professional Liability**
- **Travel Accident** - Including Group, Board of Regents & Student

Category VI – SOA Miscellaneous

- **Employee Blanket Bonds** – Including Faithful Performance, Computer Fraud

6.07

Evaluation Criteria

All proposals will be reviewed to determine if they are responsive. They will then be evaluated using the criteria that is set out in Section SEVEN.

An evaluation may not be based on discrimination due to the race, religion, color, national origin, sex, age, marital status, pregnancy, parenthood, disability, or political affiliation of the Offeror.

A proposal shall be evaluated to determine whether the Offeror responds to the provisions, including goals and financial incentives, established in the request for proposals in order to eliminate and prevent discrimination in state contracting because of race, religion, color, national origin, sex, age, marital status, pregnancy, parenthood, or disability.

SECTION SEVEN EVALUATION CRITERIA AND CONTRACTOR SELECTION

THE TOTAL NUMBER OF POINTS USED
TO SCORE THIS PROPOSAL IS 100

The Proposal Evaluation Committee (PEC) reserves the right to require the selected top Offerors to provide an oral presentation combined with a structured interview, the purpose of which will be to clarify any or all of the following evaluation criteria listed in this section. Offerors will be required to have in attendance and available for interview, at least the key proposed staff. Offerors shall be notified of the date, time and place of the oral presentation and structured interview by the PEC.

7.01

Understanding of the Services Requested—5 Percent

Proposals will be evaluated against the questions set out below:

- (a) How well has the Offeror demonstrated a thorough understanding of the requirements of the services requested?
- (b) How well has the Offeror identified pertinent issues and potential problems related to the services?

7.02

Methodology and Management Plan—20 Percent

Proposals will be evaluated against the questions set out below:

- (a) Overall, to what extent does the Offeror's proposed methodology depict a logical approach to fulfilling the requirements of the RFP?

- (b) **Program Design:** To what extent does the Offeror demonstrate that its methodology can meet the needs of the State and University (current program outlined in Section 4), including risk analysis; design of coverage forms; structure of offerings to be presented to underwriters such as the use of deductibles, self-insured retentions, and aggregate stop-loss coverages; layering of primary and excess coverages; use of subscription policies; how pricing would be determined; alternative risk transfer options, available services provided by insurers as part of the insurance marketing package.

- (c) **Selection of and Approach to Markets:** To what extent does the Offeror have the access, contacts and/or associations with a broad spectrum of the Insurance Markets that will enhance the Offeror's ability to achieve the objectives set out in the RFP? To what extent has the Offeror demonstrated that the firm has the capability to place the State and University's insurance program under favorable terms and price?

7.03

Experience and Qualifications and References—25 Percent

- (a) To what extent does the Offeror's summary of the firm demonstrate its ability to perform the services described in this RFP?

- (b) **Personnel:** To what degree do the proposed personnel have the necessary prior experience on similar projects? To what extent to the current staff have experience: 1) in Alaska, 2) with governmental entities, 3) with risks similar to the State and its agencies and operations, 4) with public universities, and 5) marketing and servicing other large Alaska commercial accounts?

- (c) **Personnel:** How experienced and knowledgeable are the Offeror's personnel of the unique insurance needs of the State and the University? To what extent does the Offeror demonstrate the necessary knowledge and experience regarding the insurance needs of the State and the University?

- (d) **Personnel:** To what extent does the Offeror's staffing level appear sufficient to accommodate the services requested by the State and University? Do the resumes submitted in the proposal, and do the structured interviews, each, demonstrate desirable backgrounds and experience that would meet the needs of ADRM and the University?

- (e) **References:** To what extent has the reference confirmed the Offeror's past performance in a similar capacity as described in this RFP? To what extent does the reference(s) confirm how well the Offeror has performed? To what extent does the reference(s) recommend the Offeror for similar work? To what extent has the reference(s) identified positive or negative aspects relating to the Offeror's performance?

7.04 Contract Cost—40 Percent

Overall, a minimum of 40% of the total evaluation points will be assigned to cost. The cost amount used for evaluation may be affected by one or more of the preferences referenced under Section 2.11.

The lowest Cost Proposal for each category will receive the maximum number of points allocated to cost for each contract proposal. The point allocations for cost on the other proposals will be determined through the method set out in Section 2.13.

7.05 Alaskan Offeror's Preference (10 Percent)

If an Offeror qualifies for the Alaskan Bidder Preference, the Offeror will receive an Alaskan Offeror's Preference. The preference will be 10 percent of the total available points. This amount will be added to the overall evaluation score of each Alaskan Offeror.

SECTION EIGHT ATTACHMENTS

8.01

Attachments

Attachments

1. Cost Proposal
2. Minimum Experience Cross Reference Sheet
3. Standard Agreement Form
4. Appendix A
5. Appendix B2
6. Notice of Intent to Award

ATTACHMENT 1
COST PROPOSAL BY CATEGORY
RFP 2009-0200-8415

NAME OF OFFEROR _____

This Cost Proposal will be used to calculate evaluation points as outlined in section 7.04. **Make certain that you provide your costs for each category for which you are proposing in the applicable cost category section.**

Insert your annual cost to perform the services described within this RFP where indicated below.

CATEGORY I-SOA & University

1. Please insert your proposed dollar figure for a single annual service fee:
2. Multiply the annual amount by 5 (years):
3. Enter the result of the dollar amount you entered in Line 1 multiplied by 5, to arrive at the final evaluated price:

\$ _____
X 5
\$ _____

SIGNATURE of authorized representative _____

NAME & TITLE of signatory _____

RETURN THIS FORM WITH YOUR SUBMITTED PROPOSAL. See section 6.06 of the RFP.

ATTACHMENT 1
COST PROPOSAL BY CATEGORY
RFP 2009-0200-8415

NAME OF OFFEROR _____

This Cost Proposal will be used to calculate evaluation points as outlined in section 7.04. **Make certain that you provide your costs for each category for which you are proposing in the applicable cost category section.**

Insert your annual cost to perform the services described within this RFP where indicated below.

CATEGORY II-SOA & University

1. Please insert your proposed dollar figure for a single annual service fee: _____
2. Multiply the annual amount by 5 (years): _____
3. Enter the result of the dollar amount you entered in Line 1 multiplied by 5, to arrive at the final evaluated price: _____

\$ _____
X 5
\$ _____

SIGNATURE of authorized representative _____

NAME & TITLE of signatory _____

RETURN THIS FORM WITH YOUR SUBMITTED PROPOSAL. See section 6.06 of the RFP.

ATTACHMENT 1
COST PROPOSAL BY CATEGORY
RFP 2009-0200-8415

NAME OF OFFEROR _____

This Cost Proposal will be used to calculate evaluation points as outlined in section 7.04. **Make certain that you provide your costs for each category for which you are proposing in the applicable cost category section.**

Insert your annual cost to perform the services described within this RFP where indicated below.

CATEGORY III-SOA & University

1. Please insert your proposed dollar figure for a single annual service fee:
2. Multiply the annual amount by 5 (years):
3. Enter the result of the dollar amount you entered in Line 1 multiplied by 5, to arrive at the final evaluated price:

\$ _____
X 5
\$ _____

SIGNATURE of authorized representative _____

NAME & TITLE of signatory _____

RETURN THIS FORM WITH YOUR SUBMITTED PROPOSAL. See section 6.06 of the RFP.

ATTACHMENT 1
COST PROPOSAL BY CATEGORY
RFP 2009-0200-8415

NAME OF OFFEROR _____

This Cost Proposal will be used to calculate evaluation points as outlined in section 7.04. **Make certain that you provide your costs for each category for which you are proposing in the applicable cost category section.**

Insert your annual cost to perform the services described within this RFP where indicated below.

CATEGORY IV-University Only

1. Please insert your proposed dollar figure for a single annual service fee:
2. Multiply the annual amount by 5 (years):
3. Enter the result of the dollar amount you entered in Line 1 multiplied by 5, to arrive at the final evaluated price:

\$ _____
X 5
\$ _____

SIGNATURE of authorized representative _____
NAME & TITLE of signatory _____

RETURN THIS FORM WITH YOUR SUBMITTED PROPOSAL. See section 6.06 of the RFP.

ATTACHMENT 1
COST PROPOSAL BY CATEGORY
RFP 2009-0200-8415

NAME OF OFFEROR _____

This Cost Proposal will be used to calculate evaluation points as outlined in section 7.04. **Make certain that you provide your costs for each category for which you are proposing in the applicable cost category section.**

Insert your annual cost to perform the services described within this RFP where indicated below.

CATEGORY V-University Miscellaneous

1. Please insert your proposed dollar figure for a single annual service fee:
2. Multiply the annual amount by 5 (years):
3. Enter the result of the dollar amount you entered in Line 1 multiplied by 5, to arrive at the final evaluated price:

\$ _____
X 5
\$ _____

SIGNATURE of authorized representative _____

NAME & TITLE of signatory _____

RETURN THIS FORM WITH YOUR SUBMITTED PROPOSAL. See section 6.06 of the RFP.

ATTACHMENT 1
COST PROPOSAL BY CATEGORY
RFP 2009-0200-8415

NAME OF OFFEROR _____

This Cost Proposal will be used to calculate evaluation points as outlined in section 7.04. **Make certain that you provide your costs for each category for which you are proposing in the applicable cost category section.**

Insert your annual cost to perform the services described within this RFP where indicated below.

CATEGORY VI-SOA Miscellaneous

1. Please insert your proposed dollar figure for a single annual service fee: \$ _____
2. Multiply the annual amount by 5 (years): X 5
3. Enter the result of the dollar amount you entered in Line 1 multiplied by 5, to arrive at the final evaluated price: \$ _____

SIGNATURE of authorized representative _____

NAME & TITLE of signatory _____

RETURN THIS FORM WITH YOUR SUBMITTED PROPOSAL. See section 6.06 of the RFP.

Minimum Experience Cross Reference Sheet

Attachment 2

Offerors are required to complete and return this form with their general proposal. Failure to return the form may cause the proposal to be deemed non-responsive and rejected. Please note that in addition to completing the form, evidence must be provided that confirms the Offeror meets the minimum experience requirements.

Acceptable evidence includes a letter from the client that verifies the Offeror performed the services as specified with Section 2.07. If a letter is not included in the proposal, the client will be contacted to verify the experience.

Brokerage Type	Minimum Experience Required	Length of Time in Requirement	Location of Evidence within Proposal	Name of Client/Contact Name/Telephone #/Email Address
1. Property and Casualty programs for governmental entities (which may or may not contain Excess Coverages with high Self Insured Retentions).	10 years			
2. Marine Insurance or Marine Excess Insurance programs for governmental entities or large Marine Commercial Operations including protection and indemnity, hull and machinery, seepage and pollution, marina operators, wharfinders, and vessel seizure legal liability.	10 years			
3. Aviation – Airport Liability including aircraft legal liability, non-owned aircraft hull and legal liability, and hangar keeper's liability.	10 years			
4. Bonds and Miscellaneous Coverages – including customs bonds, public officials bonds, faithful performance blanket bonds, computer fraud, 3-D bonds, and foreign liability bonds.	10 years			

Example of language for the client letter to meet Requirement 1:

To Whom It May Concern:

This is to verify that Acme Insurance Brokerage has provided brokerage services for property and casualty for XX, a governmental entity.

Acme Insurance Company has provided the brokerage services for property and casualty for over ten years, beginning in August 1998 to present date.