

City Council – Action Request Form

Date: March 14, 2023

To: Mayor, Mayor Pro Tempore and Members of the City Council

From: Ben Rowe, Assistant City Manager
Kelly Latham, Chief Financial Officer
Julie Carter, Risk Administrator
Shantell McClam, Purchasing Director

Council Action Requested:

Resolution Awarding Contract for Insurance Broker Services.

Strategic Focus Area: Service Excellence

Strategic Objective: Ensure Service Delivery Efficiency and Effectiveness

Strategic Plan Action Item: No

Key Work Item: No



Summary of Information:

The Financial Management Services - Risk Management Division is in need of broker services for the City's property and casualty insurance program. The City is predominantly self-insured with the largest exception being property/boiler and machinery coverage. The selected firm would be responsible for brokering these coverages, marketing property and casualty coverage for other city-related entities, as well as providing guidance to the City to ensure appropriate insurance coverage is obtained.

The city advertised a Request for Proposal to provide insurance broker services and property/boiler coverage. Proposals were received January 31, 2023, from McGriff Insurance Services of Winston-Salem, NC, and from Surry Insurance of Dobson, NC.

Terms of the bid document specified detailed evaluation criteria of M/WBE commitment, business location, price value, qualifications and experience and project understanding. An evaluation panel of five staff members from the Financial Management Services – Treasury Division, Risk Management and Business Inclusion and Advancement reviewed and scored the proposals received. See Exhibit A for the detailed evaluation scores.

Based upon the evaluation panel's assessment, it is recommended that a contract for insurance broker services and property/boiler coverage in the estimated annual amount of \$37,500 be awarded to Surry Insurance of Dobson, NC.

Committee Action:

Committee	Finance 3/14	Action	Approval
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For	Unanimous	Against	
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Remarks:

Terms of the bid specify an initial two-year contract period and reserve the right for the City to extend the contract for as many as two (2) additional twelve (12) month periods, for a potential total estimated contract value of \$150,000.

Funds are available in the FY2022-2023 budget to cover the costs of these services through June 30, 2023. Funds to cover the cost of these services for any possible extensions will be subject to future budget appropriations.

M/WBE comment: Notifications of the bid opportunity was sent directly to 21 businesses known to provide these services, including two local businesses and notifications were sent to all local M/WBE and regional HUB businesses on a bi-weekly basis. The bid was also advertised on the City's website. See Exhibit B for a complete list of businesses notified and workforce demographics for Surry Insurance.