



Chatham County, NC

Legislation Text

File #: 18-2531, **Version:** 2

Vote on a request to award the bid for property and liability brokerage services to Surry Insurance.

Action Requested: Vote on a request to award the bid for property and liability brokerage services to Surry Insurance Services.

Introduction & Background: Historically, Chatham County has utilized the services of an insurance broker to assist us in finding the best rates for property and liability coverage. For the last three years, BB&T has served as the county's insurance broker. The brokerage term was July 1, 2015 to June 30, 2018. Prior to the FY2019 budget development, a Request for Qualifications (RFQ) was advertised, and four qualified bids were received for our review: Surry Insurance, McB Group, Gallagher, and BB&T Insurance Services. The RFQ was a template that was used in the 2015 RFQ, and other jurisdictions have used over the last 13 years and customized to their own needs. The RFQ was customized extensively by us to meet our specific coverage and risk needs.

Discussion & Analysis: A comprehensive evaluation was done in four parts: 1) Review of the bids for completeness and timeliness; 2) Panel interviews conducted with each of the insurance brokers; 3) An evaluation matrix was completed that compared the bids on five (5) criteria; and 4) Reference checks were completed for top two bids received.

1. All bids were received and were complete.
2. All bidders were interviewed by a panel and asked a series of questions related to the bid and their services. The brokers were provided the questions in advance so that they had ample time to prepare answers.
3. A bid evaluation matrix was completed comparing the brokers on five evaluation criteria. This matrix is widely used for both RFPs (request for proposals) and RFQs, and assigns numeric value to the different criteria. The numeric totals help to quantify the rankings to assist in a recommendation.

The evaluation criteria are as follows:

- a. Responsiveness of the proposal to the submission requirements set forth in the RFQ.
- b. The methods, technical ability, capacity, and flexibility of the firm to perform the contract, including proposed methods to be used in evaluating components of the county's risk management program and ability to provide advice and assistance in controlling increasing claim costs on an on-going basis.
- c. Financial viability of the companies the agency represents, client references, demonstrated success in projects with similar requirements and any other contracts with the county.
- d. The overall cost of the risk management services provided by the agency, as well as the quality of service the county can expect to receive on an annual basis, and any fees associated with these services.
- e. The number of public entity property and liability insurance companies and workers

compensation companies the agency as access to with an A- rating or better. These commercial insurance companies need to have insured a public entity account in NC within the last five years.

After interviews with each firm and completion of the evaluation matrix, Surry Insurance is recommended to provide brokerage services for the next three fiscal years. Surry provided a strong overview of their services, and the evaluation team felt they were strong financially, quick in their responsiveness to claims and questions, superior in their ability to provide on-site and online training, and qualified to help us develop a more comprehensive approach to risk management services (training, asset review and retention, and claims management) than the other companies interviewed.

How does this relate to the Comprehensive Plan: This relates to Goal #8: Become more resilient by mitigating, responding and adapting to emerging threats. Comprehensive risk management by a qualified broker is critical to the county limiting risk due to normal business activities and emergency situations.

Budgetary Impact: None. Broker fees included in coverage premiums.

Recommendation: Award bid to Surry Insurance for property and liability brokerage services.