



## THE CORPORATION OF THE MUNICIPALITY OF KINCARDINE

**Subject:** General Insurance and Risk Management Proposal Award

**Report Number:** Treasury-2020-01

**Meeting Date:** Monday, March 9, 2020

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**Recommendation:** THAT the proposal from Frank Cowan Company for the provision of general insurance and risk management services as detailed in report Treasury-2020-01 for the annual premium amount of \$279,898, (excluding PST) for the period April 1, 2020 to April 1, 2021 be hereby accepted; AND FURTHER THAT the Treasurer be authorized and directed to execute, on behalf of the Council of The Corporation of the Municipality of Kincardine, any contracts and documents necessary to authorize such services to commence.

**Date to be considered by Council:** Monday, March 9, 2020

**Report Summary:**

The Municipality's general insurance policy is currently with Frank Cowan Company and commenced on April 1, 2013 under By-Law No. 2013 - 031. The insurance policy has been renewed on an annual basis, with the current term expiring on April 1, 2020. On December 9, 2019, municipal staff initiated a Request for Proposals (RFP) process to solicit proposals for its general insurance and risk management program. The RFP closed on February 7, 2020 and the Municipality received 3 proposal submissions. Upon evaluation of the proposals received, staff are recommending that the contract be awarded to Frank Cowan Company.

**Origin:** By-Law No. 2013 - 031

**Existing Policy:** GG.2.17 Purchasing and Procurement Policy

**Background/Analysis:** On December 9, 2019, RFP2020 – General Insurance and Risk Management Program was issued by the Municipality. Three (3) sealed bids were received on February 7, 2020 and were reviewed by the Evaluation Team comprised of the Treasurer/Director of Finance and Financial Analyst, in consultation with the Municipality's insurance broker Todd Farrell (Miller Insurance). In total, there were 3 proposals received for the RFP:

- 1) Frank Cowan Company
- 2) Marsh
- 3) Aon

The proposals were evaluated based on a combination of:

- Coverage and Completeness of submission - 30%
- Services offered - 30%
- Price - 30%
- Experience, Financial Stability, and References - 10%
- Value Added Services (Optional) – Additional 5%

A double envelope system was used, whereby the first envelope consisting of technical and qualitative information was opened and evaluated first. The second envelope consisting of the price information was opened and evaluated only after the technical/qualitative information had been evaluated to ensure compliance with the RFP. The members of the Evaluation Team met on February 12<sup>th</sup> and February 19<sup>th</sup> to review the proposals and summarize the results.

Based on the above mentioned criteria, the Evaluation Team is recommending that RFP2020 be awarded to Frank Cowan Company for an initial 12-month term from April 1, 2020 to April 1, 2021, with the option to extend the agreement on the same terms and conditions for up to four (4) additional periods of up to one (1) year each. The Municipality reserves the right to not appoint additional periods if dissatisfied in any way with performance, the premium charged, or any other elements of the service provided.

**Community Plan and Integrated Community Sustainability Plan (ICSP)  
Considerations:**

**Financial Implications:** The 2020 budget includes \$292,428 for the annual insurance premium; therefore the proposal is within budget.

**Attachments:** None