



Meeting Date: October 18, 2023

Submitted by: Michael Di Lullo, CAO

Report No: CAO-33-2023

Subject: Municipal Insurance Policy – RFP Results

Recommendation:

THAT Report CAO-33-2023, re: Municipal Insurance Policy – RFP be received;

AND THAT the Municipal Insurance Policy be awarded to Marsh Canada Limited for a one-year term with a premium cost in the amount of \$878,318.52 (including applicable taxes) to take effect January 1, 2024;

AND FURTHER THAT the Municipality may enter into four additional one-year periods with Marsh Canada Limited subject to Council and Budget approvals.

Purpose:

To inform Council regarding the submission results for the Municipal Insurance Policy and award the contract to the selected vendor.

Background:

The Municipality has general insurance that consists of an array of coverages with costs in excess of \$1.2MIL as per the 2023 insurance premium. It has been several years since the Municipality elected to go to market to review the general insurance policy.

In 2023, a Request for Proposal (RFP) was issued to review the general insurance for the Municipality.

As part of the RFP process, the Municipality worked with a broker representative who has extensive experience in the industry field who aided the Municipality from the onset with the issuance of the RFP, responses to questions from perspective vendors, a thorough review/analysis of the bid submissions and finally in review of this council report informing a recommendation on a selected proponent.

Analysis:

Following the submission of bids received on September 11, 2023, a total of three (3) submissions were evaluated through the Bids & Tenders portal. The evaluation team consisted of the following:

- Michael Di Lullo, CAO
- Scott Mairs, Director of Community Services
- Tiffany Farrell, Director of Corporate Services

The three companies that submitted a bid to the RFP were as follows:

Company	Score
AON Reed Stenhouse Inc.	76%
Intact Public Entities	82%
Marsh Canada Limited	89%

The evaluation process consisted of the following breakdown:

Category	Weight
Project	50
Services	15
Price	25
References	10
TOTAL	100

Summary and Recommendation

The evaluation team undertook an extensive analysis of the submissions reviewing each individual premium coverage allocating scores for each of the submissions. This allowed to identify inconsistencies or lack of coverage so that the team could put forward a recommendation that will ensure that the new carrier – Marsh Canada Limited can satisfy the municipal requirements as it relates to insurance needs and requirements.

The recommendation is to move forward with Marsh Canada Limited. This decision is based on the following factors; namely:

- The breakdown of coverages that makeup the municipal insurance package will be maintained with no loss of coverage i.e. property, contents, fleet etc.
- Completion of submission that addressed and satisfied all municipal requirements
- The value-added services that the company will provide as it relates to claims and risk management
- Ease of administration regarding changes to policy coverages mid-year
- Satisfaction of reference checks
- The cost of the submission was the lowest of the three RFP submissions

For the reasons above, the evaluation team are recommending that the Municipality enter into agreement with Marsh Canada Limited. Note that there may be slight adjustments to these coverages over time as we prepare the necessary paperwork.

Financial Implications:

The cost for the 2024 premium being awarded to Marsh Canada Limited is \$878,318.52. This represents approximately a 40% cost savings by undertaking the RFP Process.

Strategic Plan:

This matter aligns with following strategic priorities:

- Responsive Municipal Government
- Balanced Growth

The Municipal Insurance Program is an operational piece for the organization. While it has been a considerable amount of time since Middlesex Centre opted to go to market, doing so has been a cost-effective exercise as the Municipality has experienced double-digit insurance cost increases over the past several years.

With a new insurance provider, the broker has offered to stay on to provide service to the Municipality which will aid in the transition – staff are suggesting that this relationship with the broker continue for the upcoming year.

Attachments:

N/A