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www.kcdc.org

Request for Sealed Proposals

Professional Insurance Broker/Agent Services

RFP NUMBER: C17033

Due Date: 11:00 a.m. (Eastern Standard Time) on March 7, 2017

Check KCDC's web page for addenda and changes before submitting your proposal

Questions: Submit questions to purchasinginfo@kcdc.org

Deliver Proposals to: Knoxville's Community Development Corporation
Procurement Division
901 N. Broadway
Knoxville, Tennessee 37917



1. **BACKGROUND AND INTENT**

It is KCDC's intent to obtain a professional insurance broker/agent to assist in the procurement and management of various insurance programs for entities and programs for which KCDC is involved. Such services include, but are not limited to, the review, analysis, recommendation and placement of all insured programs in matters **exclusive** of properties directly owned by KCDC or KCDC automobile, workers compensation, health and welfare coverages. More specifically, to provide services for entities related to KCDC involving Low Income Housing Tax Credit (LIHTC) properties and other mixed finance programs with varying insurance requirements.

Proposers are not to approach any insurance markets or service providers on our behalf or in connection with this project. Failure to adhere to this requirement will result in an automatic disqualification from this project. At the appropriate time, the selected firm will be supplied with a broker of record letter.

KCDC has formed multiple corporations and limited partnerships to develop, construct, rehab, own, maintain and operate multiple mixed finance projects including The Residences at Eastport Phase II; Five Points Senior Building (Five Points Phase 1); Five Points Phase 2; Five Points Phase 3; The Residences at Lonsdale; North Ridge Crossing; and The Vista at Summit Hill.

The Residences at Eastport Phase II consists of 60 new construction low-income housing tax credit elderly units in the Low-Income Public Housing program. The project was completed in 2011. The property will be converted to the Multi-Family Housing program sometime in the future.

Five Points Senior Building (Five Points Phase 1) is a 90 unit new construction, elderly low-income housing tax credit property in the Multi-Family Housing program. The building is currently under construction with an anticipated completion date of July 2017.

Five Points Phase 2 will consist of 84 new construction family and elderly units in the LIHTC and Multi-Family Housing programs. HUD and investor closing is expected in 2017 with construction complete in approximately 12-15 months later.

Five Points Phase 3 will consist of approximately 80-100 new construction family and elderly units in the LIHTC and Multi-Family Housing programs with HUD and investor closing estimated to be in late 2017 with construction complete in approximately 12-15 months later.

The Residences at Lonsdale will consist of a 260-unit rehabilitation property in the LIHTC and Multi-Family Housing programs with HUD and investor closing estimated to be in 2017 with an approximate 18-month work schedule.

North Ridge Crossing will consist of a 268-unit rehabilitation property in the LIHTC and Multi-Family Housing programs with HUD and investor closing estimated to be in 2017 with an approximate 18-month work schedule.

The Vista at Summit Hill will consist of a 175-unit rehabilitation property in the LIHTC and Multi-Family Housing programs with HUD and investor closing estimated to be in 2017 with an approximate 18-month work schedule.

As the portfolio continues to move from Public Housing to LIHTC and Multi-Family Housing, additional limited partnerships will be formed to develop, construct, rehab, own, maintain and operate the mixed finance affordable housing projects.

2. **CONFIDENTIALITY**

All reports, information, or data, prepared or assembled by the selected firm are confidential. The selected firm agrees that said reports, information or data, without KCDC's prior written approval, will not be made available to any individual or organization.

In addition, KCDC may disclose certain information to the selected firm and the selected firm may have access to certain information that is not generally known to others and is confidential. The selected firm agrees not to use or disclose to any third party except in the performance of services hereunder any such confidential information. The selected firm further agrees to cause its employees and any subcontractors to undertake the same obligations of confidentiality. These provisions shall survive the termination of the contract.

3. **CHANGES AFTER AWARD**

It is possible that after award KCDC will need to revise the service needs or requirements specified in this document. KCDC reserves the right to make such changes after consultation with the vendor. Should additional costs arise, the vendor must document increased costs. KCDC reserves the right to accept and negotiate these charges.

4. **CONTACT POLICY**

The vendor may not contact KCDC officers, agents, or employees (other than the KCDC's Procurement Division) from the issuance of this solicitation until award about matters pertaining to this solicitation. Information obtained from an unauthorized officer, agent, or employee of KCDC will not affect the risks or obligations assumed by the firm or relieve the vendor from fulfilling any of the conditions of the resulting award for the purpose of this project. Additionally, such contact can disqualify the vendor from participation in the solicitation process.

5. **CONTRACTS**

KCDC intends to identify the highest-ranking vendor and award to one vendor. However, if it is in KCDC's interest, separate vendors may be selected and awarded contracts.

6. **CONTRACT APPROVAL**

Award of this contract may be subject to KCDC's Board approval.

7. **CONTRACT LENGTH**

The length of the award will initially be 12 months. The award has four one-year optional renewals that KCDC may choose to exercise.

8. **DESIRED SERVICES**

Among the desired services are:

- a. Orchestrate competitive marketing, prepare insurance applications, compile and format support information needed and requested by insurance company underwriters.
- b. Compile and maintain historical underwriting information.
- c. Obtain insurance market coverage options and premium quotes with the most cost effective strategy within the required parameters.
- d. Facilitate insurance company interface and coordination.
- e. Present market coverage options and premium quotes to KCDC's liaison at least 60 days before the requested coverage date. Presentations will include an outline of insurance policy (endorsement) coverage and exclusions and a summary report of all marketing activity.
- f. Work with KCDC to evaluate the plans of insurance policies and recommend appropriate or advantageous changes; renewals shall be effected in a timely manner, to internal time requirements and also maintain coverage.
- g. Keep written/electronic records of marketing efforts and make this information available upon request.
- h. Present recommendations to purchase insurance in writing and be sufficiently detailed to explain alternatives and support the recommended decisions.
- i. Analyze exposure to loss and review adequacy of coverage contained in policies.
- j. Propose innovative insurance policy coverage to meet unusual needs.
- k. Review all binders, policies and endorsements to assure coverage is as described, with no exclusions or endorsements that are not fully disclosed and approved and provide a written report to KCDC.
- l. Prepare a coverage summary page and list of contact information for each policy provided, including updated summary pages as revisions may occur. Prepare and maintain a historical premium cost/loss ratio history for each insurance policy and in total.
- m. Track renewal of insurance policies and issue binders when appropriate to prevent coverage lapse.

- n. Prepare and distribute certificates of insurance as requested by KCDC.
 - o. Secure coverage endorsements as needed.
 - p. Provide service for day-to-day contact on insurance matters.
 - q. Loss Control services consisting of reviewing underwriter’s recommendations and evaluating hazards facing entity/project including periodic site visits.
 - r. Regular communication with KCDC liaison to discuss/review programs, issues, etc.
 - s. Other services as normally and customarily required of an insurance broker/agent.
9. **EVALUATION** - KCDC will evaluate the responses to this solicitation based upon the following factors:

Item	Possible Points
Ability to Provide Desired Services	45 points
Personnel Qualifications	35 points
Cost of Services	20 points
Total Possible Points	100

- a. KCDC may select a vendor from written submittals or after a second step of evaluation, which may or may not include oral interviews. KCDC will select the vendor found to be best suited to provide the needed materials and/or services.
 - b. Further, KCDC reserves the right to evaluate submittals on an ordinal ranking system in lieu of specific scores for the first round while reserving specific scoring for those proposals that progress to the second round of evaluation. Under this scenario, all proposals will be scored 1, 2, 3, 4 et cetera to reflect their strength relative to all other submittals. Then the top 2 to 5 submittals (depending upon the evaluation team’s estimation) will be scored according to the matrix above with the submittal with the highest score entering into negotiations with KCDC.
 - c. KCDC reserves the right to check or not check references. KCDC will use the references to gauge the proposer’s experience.
 - d. Firms may be excluded from further consideration for failure to comply fully with KCDC's requests for additional information and the requirements of this RFP.
 - e. All submittals are subject to a determination of “responsive” and “responsible” prior to award. KCDC is the sole judge as to “responsiveness” and “responsibility” of vendors.
10. **INSURANCE**
 Broker shall be insured for general liability, professional errors and omissions and workers’ compensation. Broker shall be responsible for all funds handled by Broker on behalf of KCDC and insureds and shall carry a bond sufficient to cover any losses of this nature.

11. **LICENSING**

All proposers must be properly licensed by the State of Tennessee and all other authorities having jurisdiction. Throughout the term of this contract, the vendor shall maintain the required current licenses.

12. **QUALIFICATIONS**

- a. Broker shall be sufficiently experienced in property and casualty insurance and risk management services to provide expert, efficient, effective, and reliable advice and services in the interest KCDC and the insured.
- b. Broker shall have extensive and continuous relationships with the insurance markets necessary to provide superior insurance alternatives that meet the requirements/needs and are favorably priced relative to the risk and the current market.
- c. Broker shall provide continuity of services by assigning a primary broker and a back-up broker who will be:
 1. knowledgeable in the principles and practices of risk management;
 2. Familiar with owners of LIHTC properties, RAD conversion process and other mixed-finance affordable housing projects as a risk;
 3. accessible on short notice; and
 4. thoroughly knowledgeable and competent in insurance alternatives in order to provide superior services.
- d. Broker shall maintain the highest integrity in business relationships and practices, and shall make full and timely disclosure of any conflicts of interest. Broker shall become familiar with federal and state statutes regarding gifts and favors for public officers and employees, and shall adhere to those standards in conduct of business.

13. **QUESTIONS**

Submit questions via [email](mailto:purchasinginfo@KCDC.org) with "Broker Services" in the subject line to purchasinginfo@KCDC.org.

Submittal Structure Instructions

Follow these steps and guidelines when preparing your submittal.

1. Number all pages consecutively. Reference the section that you are responding to as shown on the following pages.
2. Place your company's name on each page.
3. Be thorough yet succinct in responding to this document. The use of tables in presenting information, where appropriate, will facilitate the evaluation team's review.
4. Submit one original (with all pages marked "original") and three copies of the original submittal. Also, provide one electronic copy of your submittal.
5. Fancy brochures and advertisements are not necessary.
6. **Do not** use phrases such as "See the attached" or "Will be provided upon award."
7. If you have attachments, mark them (on the cover) with the submitter's name.
8. Do not bind your submittal in a manner that is difficult for KCDC to disassemble. Eventually KCDC will scan these documents and it is important that it is easy to take them apart for scanning.
9. Submit your submittal in the order and format shown on the following pages.

THIS AND THE PREVIOUS PAGES DO NOT NEED TO BE RETURNED

General Information about the Vendor

Sign Your Name to the Right of the Arrow 
 Your signature indicates that you have read and agree to "KCDC's General Instructions to Vendors" on www.kcdc.org.

Printed Name and Title 

Company Name 

Street Address 

City/State/Zip 

Contact Person (Please Print Clearly) 

Telephone Number 

Fax Number 

Cell Number 

Vendor's e-mail address (Please Print Clearly) 

Addenda

Addenda are at www.kcdc.org. Click on "Procurement" and then on "Open Solicitations" to find addenda. Please check for addenda prior to submitting a bid.

Acknowledge addenda have been issued by checking below as appropriate:

None Addendum 1 Addendum 2 Addendum 3 Addendum 4 Addendum 5

Statistical Information

This business is owned & operated by persons at least 51% of the following ethnic background:

Asian/Pacific Black Hasidic Jew Hispanic Native Americans White

As defined on KCDC's webpage (see the "General Instructions to Vendors"), this business qualifies as:

Section 3

Small Business

Woman Owned

Vendor: _____

Conflict of Interest:

1. No commissioner or officer of KCDC or other person whose duty it is to vote for, let out, overlook or in any manner superintend any of the work for KCDC has a direct interest in the award or the vendor providing goods or services.
2. No employee, officer or agent of the grantee or sub-grantee will participate in selection, or in the award or administration of an award supported by Federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when the employee, officer or agent, any member of his immediate family, his or her partner, or an organization, which employs, or is about to employ, any of the above, has a financial or other interest in the vendor selected for award.
3. The grantee's or sub-grantee's officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from vendors, potential vendors, or parties to sub-agreements.
4. By submission of this form, the vendor is certifying that no conflicts of interest exist.

Drug Free Workplace Requirements:

5. Private employers with five or more employees desiring to contract for construction services attest that they have a drug free workplace program in effect in accordance with TCA 50-9-112.

Eligibility:

6. The vendor is eligible for employment on public contracts because no convictions or guilty pleas or pleas of nolo contendere to violations of the Sherman Anti-Trust Act, mail fraud or state criminal violations with an award from the State of Tennessee or any political subdivision thereof have occurred.

General:

7. Vendor fully understands the preparation and contents of the attached offer and of all pertinent circumstances respecting such offer.
8. Such offer is genuine and is not a sham offer.

9. **Iran Divestment Act:**

Concerning the Iran Divestment Act (TCA 12-12-101 et seq.), by submission of this bid/quote/proposal, each vendor and each person signing on behalf of any vendor certifies, and in the case of a joint bid/quote/proposal, each party thereto certifies as to its own organization, under penalty of perjury, that to the best of its knowledge and belief that each vendor is not on the list created pursuant to § 12-12-106.

Non-Collusion:

- 10. Neither the said vendor nor any of its officers, partners, owners, agents, representatives, employees or parties interest, including this affiant, has in any way colluded conspired, connived or agreed, directly or indirectly, with any other responder, vendor, or person to submit a collusive or sham offer in connection with the award or agreement for which the attached offer has been submitted or to refrain from making an offer in connection with such award or agreement, or collusion or communication or conference with any other vendor, or, to fix any overhead, profit, or cost element of the offer price or the offer price of any other vendor, or to secure through any collusion, conspiracy, connivance, or unlawful agreement any advantage against KCDC or any person interested in the proposed award or agreement.
- 11. The price or prices quoted in the attached offer are fair, proper and not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the vendor or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

The undersigned hereby acknowledges receipt of this Solicitation Document B and certifies that the submittal in response to this solicitation is in full compliance with the listed requirements.

Signed by _____	
Printed Name _____	
Title _____	
Subscribed and sworn to before me this date	
By (Notary Public) _____	
My Commission Expires on _____	
Notary Stamp	

1. Provide a history of the company including date of incorporation, corporate officers and key management individuals
2. Describe the structure of your organization, including number of employees and available resources, locally, nationally and globally.
3. Describe your areas of specialization; specifically including the resources your organization possesses in support of these areas of specialization
4. Describe your familiarity with and years of service related to governmental clients.
5. How many accounts does your specific office service?
6. How many employees does your specific office have?
7. How many of these employees in your office have new business responsibilities versus service?
8. What is your employee to account ratio in each department including claims, loss control and account management?
9. Competitive advantage
 - a. Outline your perceived strengths and weaknesses in the marketplace.
 - b. How are you different from your competitors?
 - c. Outline why KCDC should select your agency/broker firm to provide the required services
10. Qualifications
 - a. Expertise; technical/industry specific
 - b. Describe how you will act as an extension of KCDC
 - c. Discuss and describe the experience your office has in servicing and understanding the unique needs and exposures of the anticipated insureds.
11. Marketing

- a. Provide your thoughts on the state of the insurance market the anticipated insureds partnerships will experience.
- b. Who are your top markets?
- c. Provide a timeline and transition plan if you were selected as the Broker/Agent

12. Risk Management

- a. Describe specific techniques and procedures, which you will use to assist us in identifying current and anticipated new exposures to accidental loss.
- b. Describe how your firm ensures its clients receive the broadest coverage available in the marketplace at an economical cost.
- c. Explain and give an example of the skills and experience your firm has in designing insurance or other risk transfer techniques that fit with insureds.
- d. How would you keep us informed of current developments in the risk management arena?

13. Risk Control Services - describe your approach to loss control and the services to be provided:

- a. Casualty: Describe in detail how you will assist KCDC with design and implement casualty loss control techniques that will reduce loss frequency and severity and ensure compliance with our client's requirements and various regulatory agencies.
- b. Property: Describe in detail how you will assist KCDC with design and implement property loss control techniques that reduce the potential for loss.
- c. Describe your approach to the providing or managing unbundled loss control services.

14. Claims Management - Describe your approach to claims management and the services to be provided:

- a. Discuss how you will assist in claim audits and other file reviews as deemed necessary for current insurer services. Provide details of the services provided and available for this type of program.
- b. Discuss your experience and approach to analyzing and improving claims management programs.

- c. What role does your organization play in first party property claims?
- d. Describe how you will assist KCDC to actively manage open claims to assure timely and cost effective closure.
- e. How many accounts do each of your claims persons serve on average?
- f. How many claims are your claims persons actively monitoring on average?

15. Quality Control

- a. Discuss how your organization will ensure accuracy and timely delivery of:
 - Submissions to markets
 - Binders/advice of insurance
 - Policies, program agreements, resume of insurance and other “insurance related” documents.
 - Certificates of insurance, accident kits, posting notices, et cetera
- b. Detail how your organization monitors insurer market quality and solvency. How is this information disseminated?

16. Other Insurance/Risk Management Related Services

- a. Describe how your firm would provide an analysis of data to assist us in obtaining the most favorable position with respect to insurance rates.
- b. How do you determine limits and retention levels to recommend to your clients?

17. Provide copies of all applicable certifications or licenses.

18. Have you ever been fined or otherwise punished by any State Insurance Department? If yes, explain.

19. Has your insurance license been suspended or cancelled? If yes, explain.

20. Do you represent more than one Insurance Agency/Broker Company? If yes, provide a list of companies you represent.

21. List any active or pending lawsuits and/or litigation related to the insurance Agency/Broker during the previous three years.

22. List any active or pending fines, penalties or sanctions against the Insurance Agent and/or the Insurance Agency/Broker from any State Insurance Department during the previous three years.

1. Present a proposed organizational chart identifying the key individuals and their proposed roles.
2. Provide the resume of the Agency/Broker Principal that will have a direct day-to-day supervisory responsibility for KCDC’s business and the resume of other Agency/Broker personnel that will have direct, day-to-day responsibility for working with the account.
3. Provide information on the personnel who will be handling this project, listing pertinent experience and technical qualifications. Include for each individual the capacity they would serve on this project. The format of individual resumes for key personnel is as follows.
 - Name
 - Position title
 - Total years’ experience with current vendor
 - Total years in the insurance field
 - Education (degree, major, institution, year)
 - Summary of relevant experience and qualifications
 - Professional affiliations/credentials of assigned personnel.
 - Complete the chart below in order to explain the role each person will play on this project

Name	Title/Skill Set	Role on this Project	Hours on this Project

1. Detail the proposed fee structure. Brokers are encouraged to suggest alternative methods of compensation and billing that will result in cost savings, particularly if they also maintain or improve broker services.
2. Detail any fee options.

References are to be indicative of your firms experience and reflective of your capabilities. You are to provide **five** references of projects as close as possible in nature to this one. Two must be government or providers of affordable housing clients. Even if you have done multiple projects for an entity, that entity can only be one reference. When listing that reference, you may want to indicate that you have done multiple projects for them and this one example is most germane to this project. Present information about each reference in this format:

Name of the business that was serviced	
Contact person	
Contact person title	
Contact person's telephone number	
Contact person's email address	
Description of the service provided	
Contract began	
Contract ended	
Approximate Dollar Value of the Contract	\$