

March 17, 2011

11-083

ACCEPT PROPOSAL/AWARD CONTRACT FOR
AGENT OF RECORD FOR PROPERTY AND LIABILITY
INSURANCE

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FINANCIAL
RESPONSIBILITY: Cherie Chevalier, Associate Vice President, Finance

APPROVED BY: Cherie Chevalier, Associate Vice President, Finance
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Dr. Preston Pulliams, District President

REPORT: The College has a need to contract and provide professional services as an agent of record for the College's property and liability and Workers Compensation insurance needs. The services include, but are not limited to: formulate and maintain insurance program(s), write and service insurance policies (as requested by the College), assist staff in managing insurance policies and procedures, maintain and make available claims records, respond to questions and provide assistance for those individuals who need help with school coverage or loss prevention, and other requirements. The current contract expires March 30, 2011 and since the estimated expenditure will exceed the \$150,000.00 threshold a formal competitive process is required to award the new contract.

Escalation
3%
3%
3%
3%

A Request for Proposals (RFP) for the Agent of Record (AOR) for Property and Liability Insurance at all campus locations is a three (3) year contract with possible renewals, not to exceed five (5) years total term. The RFP was advertised in the Daily Journal of Commerce, posted on the State of Oregon VIP system, and the PCC web site on January 19, 2011. RFP documents were downloaded by eighteen (18) vendors. Four (4) vendors responded to the RFP, Wilson-Heirgood, Assoc., Beecher Carlson, Willis of Oregon and Marsh USA, by the due date of February 8, 2011. One (1) vendor, Arthur

J. Gallagher Risk Management Services, Inc., was disqualified for delivering their RFP late.

Note: One (1) vendor, Cumbre, Inc., is a MBE/ESB firm; however, they did not submit a proposal.

The award will be based on a possible total score of 525 points based on the initial proposal score and interview.

Beecher Carlson
 Weighing Factor (525) 490

Marsh USA
 Weighing Factor (525) 477

Willis of Oregon
 Weighing Factor (525) 442

The five (5) year cost for the requested Board Resolution with Carlson Beecher for Agent of Record for Property and Liability Insurance reflects a 3% escalation for each of the ensuing four (4) years, the total five (5) year cost \$217,400 with a 5% contingency.

Per the following:

Fiscal Year	Resolution Costs	Escalation
2011-2012	\$39,999.00	
2012-2013	\$40,170.00	3%
2013-2014	\$41,375.00	3%
2014-2015	\$42,616.00	3%
2015-2016	\$43,895.00	3%

The committee recommends awarding a contract for AOR for Property and Liability Insurance to, Beecher Carlson Insurance Agency, LLC, based on their evaluation rating being higher than the other proposals.

RECOMMENDATION: That the Board of Directors award the AOR for Property and Liability Insurance contract to Beecher Carlson Insurance Agency, LLC, for a not-to-exceed amount of \$217,400.00. The new contract will be a three (3) year contract with possible renewals, not to exceed five (5) years total term. Expenditures for this contract will come from the general fund.