



**REQUEST FOR PROPOSALS  
INSURANCE SERVICES  
July 2018**

**1.0 INTRODUCTION**

The Nanaimo Port Authority is inviting proposals from qualified insurance brokers to provide insurance brokerage services starting September 1, 2018 in order to renew the Port's standard insurance coverage policies effective November 1, 2018 thru November 1, 2023.

The purpose of this request for proposals (RFP) process is to select a qualified and experienced insurance broker to supply insurance brokerage services on behalf of and for the benefit of the Port.

The appointment of the insurance provider shall be made by the Board of Directors of the Port.

As a Canadian Port Authority, insurance services must be provided in accordance with the Canada Marine Act, the Nanaimo Port Authority Letters Patent and the Port Authorities Management Regulations and the Port Authorities Operations Regulations (see appendices).

Services will include, but are not limited to:

- Property insurance for buildings, contents and mobile equipment
- Boiler, machinery and equipment breakdown
- Office Package, Employee dishonesty and crime
- Director and Officers Liability
- Port Authority legal and public liabilities
- Airport owners liability
- Excess bumbershoot and marine liabilities
- Marine hull and machinery
- Marine protection and indemnity
- Aviation liability
- Automotive Coverage
- General risk management advice
- Property risk control service
- Claims consulting

On a project specific basis, the Port occasionally requires:

- Wrap-up liability
- Builder's risk

Proponents are not to approach any insurers/underwriters on its behalf as part of this RFP process. Any proponent that approaches or contacts any insurer(s) / underwriters will be disqualified in responding to this RFP.

Any proponent that contacts the Audit Committee, the Board of Directors, or any employees other than the official contact of the Port, will be disqualified in responding to this RFP.

## **2.0 DEFINITIONS**

- a) The Port – means the Nanaimo Port Authority (legal name of the corporation)
- b) Contract – means the written agreement or purchase order resulting from this RFP, in accordance with this RFP
- c) Contractor – or broker – or broker of record – means a successful proponent to this RFP who enters into a written contract with the Port
- d) Must – mandatory – or required – means a requirement that must be met in order for a proposal to receive consideration
- e) Proponent – means an individual or a company that submits, or intends to submit, a proposal in response to this RFP
- f) Proposal – means the proponents response to this RFP
- g) Should – or desirable means a requirement having a significant degree of importance to the objectives of the RFP

## **3.0 TERMS**

The Port has formulated the following terms and procedures to ensure that it receives proposals through an open, transparent and competitive process, and the proponents receive fair and equitable treatment in the solicitation, receipt and evaluation of their proposals. Submission of a proposal in response to this RFP indicates acceptance of all the following terms:

### **3.1) NOT A TENDER**

This RFP is not a tender call, and the submission of any response to this RFP does not create a tender process. By this RFP, the Port reserves itself the absolute and unfettered discretion to invite submissions, consider and analyze submissions, select short-listed proponents or attempt to negotiate an agreement with the successful proponent as the Port considers desirable.

Without limiting the generality of the foregoing, the Port reserves the right to:

- a) Accept any proposal
- b) Reject any proposal without any obligation, or any compensation or reimbursement to any proponent, intended proponent, or any other person associated with this RFP
- c) Reject all proposals
- d) Accept a proposal which is not the lowest priced proposal
- e) Accept a proposal that deviates from the services or conditions specified in the request for proposals
- f) Reject a proposal even if it is the only proposal received by the Port
- g) Accept all or any part of a proposal
- h) Accept or waive a minor and inconsequential irregularity in any proposal
- i) Assess the ability of the proponent to perform the contract and reject any proposal where, in the Port's sole estimation, the personnel and/or resources of the respondent are not sufficient
- j) Consider or short-list any submission whether or not it contains all information required
- k) Require clarification where a submission is unclear
- l) Disqualify or reject any submission without discussion with the submitting party; and
- m) Reject any submission that the Port considers is not in its best interests

### 3.2) NO OBLIGATION TO PROCEED

Though the Port fully intends at this time to proceed through RFP, the Port is under no obligation to proceed to the purchase, or any other state. The receipt by the Port of any information including any submissions, ideas, plans, drawings, models or other materials communicated or exhibited by an intended proponent, or on its behalf shall not impose any obligations on the Port. There is no guarantee by the Port, its officers, employees or agents, that the process initiated by the issuance of this RFP will continue, or that this RFP process or any RFP process will result in a contract with the Port.

### 3.3) DECISION MAKING

The Port has the authority to make any decision, or to exercise any contractual right or remedy, contemplated in this RFP at its own absolute and unfettered discretion.

### 3.4) ADDENDA AND SUBSEQUENT INFORMATION

Proponents are advised that all subsequent information regarding this RFP including any addendum will be posted on the Port's web page at <https://portauthority.npa.ca/en/corporate/rfps/>. Proponents must register with the official contact to be eligible for participation in the RFP. The Port will attempt to send directly to respondents who have provided notice to the official contact via email, but it is the sole responsibility of respondents to monitor the Port's website for all posted changes to the original RFP document up to the deadline for submission of inquiries. Upon submitting a proposal, respondents will be deemed to have received notice of all addendums that are posted on the website.

### 3.5) OFFICIAL CONTACT

The official contact is as follows:

Arlene Rolston  
Corporate Secretary  
Nanaimo Port Authority

Phone: (250) 753-4146 ext. 224  
Email: [arolston@npa.ca](mailto:arolston@npa.ca)

### 3.6) INQUIRIES

All inquiries, amendments or requests for clarification related to this RFP must be made in writing and delivered or emailed to the official contact. Information obtained from any other source is not official and should not be relied upon. Inquiries and responses will be recorded and may be distributed to all proponents at the Port's option.

Relevant questions and answers or any new or additional information will be issued by the Port's official contact in the form of an addendum. All addendums will be posted on the Port's website at:

<https://portauthority.npa.ca/en/corporate/rfps/>

**The deadline for inquiries is 2:00pm local time on Monday, August 7, 2018.**

### 3.7) SUBMISSION

Sealed proposals, clearly marked on the outside of the envelope with the words "RFP Insurance Services" must be submitted in triplicate and delivered to the attention of the official contact:

Physical Address (Couriers): Nanaimo Port Authority  
100 Port Drive  
Nanaimo, BC V9R 0C7

Mailing Address: Nanaimo Port Authority  
PO Box 131  
Nanaimo, BC V9R 5K4

Proposals must not be submitted electronically, by facsimile or by email.

**The deadline for submission is 2:00pm local time on Friday, August 10, 2018.**

### 3.8) LATE PROPOSALS

Late proposals will not be accepted.

### 3.9) ELIGIBILITY

Proposals will not be evaluated if the proponents' current or past experience or other interests may, in the Port's opinion, give rise to a conflict of interest in connection with this RFP.

### 3.10) EVALUATION COMMITTEE

Evaluation of the proposals will be by a committee formed by the Port. This evaluation committee will then in turn make a recommendation to the Port Board of Directors for approval.

### 3.11) EVALUATION

Proposals will be checked against the proposal requirements. Proposals not meeting all of the proposal requirements may be rejected without further consideration. Proposals that do meet all the proposal requirements will be considered by the evaluation committee. By responding to the RFP, proponents will be deemed to have agreed that the decision of the evaluation committee will be final and binding.

Evaluation criteria are outlined in section 6.

### 3.12) NEGOTIATION DELAY

If a written contract cannot be finalized within 14 days of notification of the successful proponent, the Port may, at its sole discretion at any time thereafter, rescind the award with that proponent and either sign a contract with the next qualified proponent or choose to terminate the RFP process and not enter into a contract with any of the proponents. The proponent must supply a copy of the client services agreement / contract it expects the Port to sign as part of the proposal.

### 3.13) DEBRIEFING

Unsuccessful proponents may request a debriefing meeting with the Port.

### 3.14) SIGNED PROPOSALS

The proposal must be signed by the person(s) authorized to sign on behalf of the proponent and to bind the proponent to statements made in response to this RFP.

### 3.15) CHANGES TO PROPOSAL WORDING

The proponent will not change the wording of its proposal after closing and no words or comments will be added to the proposal unless requested by the Port for purposes of clarification.

### 3.16) IRREVOCABILITY OF PROPOSALS

By submission of a clear and detailed written notice, the proponent may amend or withdraw its proposal prior to the closing date and time. Upon closing time, all proposals become irrevocable. By submission of a proposal, the proponent agrees that should its proposal be successful the proponent will enter into a contract with the Port.

### 3.17) PROPONENTS EXPENSES

Proponents are solely responsible for their own expenses in preparing a proposal and for subsequent negotiations with the Port, if any. If the Port elects to reject all proposals, the Port will not be liable to any proponent for any claims, whether for costs or damages incurred by the proponent in preparing the proposal, loss of anticipated profit in connection with any final contract, or any other matter whatsoever.

### 3.18) LIMITATION OF DAMAGES

Further to the preceding paragraph, the proponent by submitting a proposal, agrees that it will not claim damages, for whatever reason, relating to the contract or in respect of the competitive process, in excess of an amount equivalent to the reasonable costs incurred by the proponent in preparing its proposal and the proponent, by submitting a proposal, waives any claim for loss of profits if no agreement is made with the proponent.

### 3.19) COMPLETENESS OF PROPOSAL

By submission of a proposal the proponent warrants that, if this request for proposal is to design, create or provide a system or manage a program, all components required to run the system or manage the program have been identified in the proposal or will be provided by the contractor at no charge.

### 3.20) SUB-CONTRACTING

- a) Using a sub-contractor (who must be clearly identified in the proposal) is acceptable. This includes a joint submission by two proponents having no formal corporate links. However, in this case, one of these proponents must be prepared to take overall responsibility for successful interconnection of the two product or service lines and this must be defined in the proposal.
- b) Sub-contracting to any firm or individual whose current or past corporate or other interests may, in the Port's opinion, give rise to a conflict of interest in connection with this project will not be permitted. This includes, but is not limited to, any firm or individual involved in the preparation of this RFP.
- c) Any sub-contracting of the service to any firm or individual after the award of a contract must have prior approval by the Port.

### 3.21) ASSIGNMENT

This RFP and any resulting contract may not be assigned by either party without the prior written consent and approval of the other party, which consent may not be unreasonably withheld; provided however, either party, without such consent, may assign or sell the same in connection with the transfer or sale of substantially its entire business to which this contract pertains or in the event of its merger or consolidation with another company. Any permitted assignee shall assume all obligations of its assignor

under this contract. No assignment shall relieve any party of responsibility for the performance of any accrued obligation that such party then has hereunder.

### 3.22) ACCEPTANCE OF PROPOSALS

- a) This RFP should not be construed as an agreement to purchase goods or services. The Port is not bound to accept the lowest priced or any proposal of those submitted. Proposals will be assessed in light of the evaluation criteria. The Port will be under no legal obligation to receive further information, whether written or oral, from any proponent.
- b) Either acceptance of a proposal nor execution of a contract will constitute approval of any activity or development contemplated in any proposal that requires any approval, permit or license pursuant to any federal, provincial, regional corporation, municipal statute, regulation or by-law.

### 3.23) OWNERSHIP OF PROPOSALS AND FREEDOM OF INFORMATION

All documents, including proposals, submitted to the Port become the property of the Port. They will be received and held in confidence by the Port, subject to the provisions of the Access to Information Act and Privacy Act.

### 3.24) USE OF REQUEST FOR PROPOSALS

This document, or any portion thereof, may not be used for any purpose other than the submission of proposals.

### 3.25) CONFLICT OF INTEREST

Any potential conflict of interest must be disclosed to the Port in writing. Any conflict of interest identified will be considered and evaluated by the Port. The Port has the sole discretion to take the steps they deem necessary to resolve the conflict. If, during the term of the contract, a conflict or risk of conflict of interest arises, the contractor will notify the corporation immediately in writing of that conflict or risk and take any steps that the corporation reasonably requires to resolve the conflict or deal with the risk.

### 3.27) LAWS OF BRITISH COLUMBIA

This request for proposal will be governed by and will be construed and interpreted in accordance with the laws of the Province of British Columbia.

## **4.0 SCOPE OF WORK**

The Port requires a variety of core insurance and risk management services to be provided by the broker. These services include, but are not limited to:

### **4.1) ACCOUNT MANAGEMENT**

The Port requires a creative and responsive broker and support team, headed by a professional and knowledgeable account executive well versed in the insurance industry, to provide ongoing and day-today administration. The broker's team must be responsive to the needs of the Port and provide requested information and documentation on a timely basis, and keep the Port apprised of all new developments in the insurance industry affecting their insurance and risk management needs.

The Port requires meetings with the broker to effectively prepare for, and deal with, the annual insurance renewal service for all of its policies of insurance. As part of the implementation and renewal process, the Port may require meetings with current and prospective insurers.

Once the insurance is in place, the Port will require the broker to meet on a regular basis, and as required, to discuss issues that may arise from time to time which could impact their insurance and risk management programs.

### **4.2) DAY-TO-DAY ADMINISTRATION**

The Port may require the assistance of the broker to review contracts, leases, and agreements, to ensure that they are maintaining the appropriate insurance, and ensuring appropriate risk transfer where applicable. Contract, lease, and agreement review is also a useful risk identification tool, as it may assist the broker in fully understanding the overall business risks inherent in the Ports operation.

The broker will be required to issue certificates of insurance as required under contracts, leases, and agreements between the Port and third parties, including partners, for accuracy and compliance with the contract, lease or agreement terms and conditions. It will benefit the Port to have the broker provide certificates of insurance, where required, on line, to ensure prompt handling of these types of requests.

The broker will be required to develop, and substantiate, premium breakdowns and spreadsheets for each class of insurance. The broker will be required to provide premium financing options, and so will need to provide estimated costs for financing for the Port to consider. It is important for the broker to review, monitor, and report insurance company ratings on a regular basis. The Port must be kept up-to-date on the financial stability of all insurance companies and reinsurance companies participating in the service provision, and the services of third parties and partners of whom the Port is relying upon for indemnification.

### **4.3) COMPREHENSIVE RISK IDENTIFICATION AND ASSESSMENT**

As part of the initial review of any insurance needs, the Port requires the broker to participate in the development and implementation of a systemic, comprehensive, risk identification and assessment process. The process will allow all parties to become familiar with current risks and exposures facing the Port, and how they may be addressed. As well, a process for ongoing assessment and communication of



new risks and exposures encountered by the Port must be developed to ensure all parties are kept abreast of all new developments likely to impact them. This process will involve meetings with the Port, a review of all corporate material, contract, lease and agreement review, claims review and developing a risk identification, assessment and quantification model.

#### 4.4) DEVELOPMENT AND EXECUTION OF THE INSURANCE RENEWAL

The following activities may be required as part of the renewal process:

- Development of underwriting material
- Preparation of submissions to the Port for review and acceptance
- Review of insurance market conditions in terms of capacity, pricing, and the opportunities for enhancement of existing coverage's, as well as new coverage considerations
- Provision of firm cost estimates to the Port, including any enhanced or contingent profit commissions or overrides received from any insurer
- Identification of suitable insurers with an interest in insuring the Port's portfolio
- Deductible studies to determine the appropriate level of deductible for each class of insurance, in relation to the Port's appetite for risk and premium credits available
- Review and provision of financial ratings of all proposed insurers
- Timely preparation and review of all insurance documents including, but not limited to, policies, binders, cover notes, certificates and the like, to ensure that the terms, conditions and other relevant information is correct
- Approval from the Port Board of Directors prior to finalizing renewal coverage
- Prompt issuance of all necessary binders, cover notes and certificates in accordance with instructions from the Port
- Preparation of an annual stewardship report that will include, but not be limited to, the goals, objectives, activities and accomplishments achieved during the renewal process, and annually thereafter
- Provide summaries for all new service placements, as well as changes/updates to existing coverage

#### 4.5) MONITORING OF CURRENT AND FUTURE TRENDS

The broker will ensure that it stays current on issues such as insurance company capacity, new insurance products, and alternative risk financing and financial strength of insurers.

#### 4.6) CLAIMS MANAGEMENT SERVICES

The broker will review and update loss run reports for accuracy and for confirmation of the breakdown of claims costs between indemnity, legal expenses and adjusting expenses and produce them on an as needed basis. The broker will track claims and adjusting costs from the first dollar. The broker will be expected to assist the Port in reporting new incidents/claims and resolving any new claims and, may assist in the oversight and management of historical open claims.

There should be a link between claims and risk control resources such that knowledge from claims activity can be shared within the Port to introduce appropriate risk control measures, where this can be helpful in reducing the overall cost of risk.

#### 5.0 ANTICIPATED TIMEFRAMES

The following outlines the anticipated schedule for the RFP and contract process. The timing and sequence of events resulting from this RFP may vary and shall ultimately be determined by the Port.

Event Anticipated Date

Request for Proposals issued	July 20, 2018
Last Date for Submission Questions	August 7, 2018
Request for Proposals closes	August 10, 2018
Review of Proposals / Interviews	Week of August 13, 2018
Contract Award	August 31, 2018
Renewal of Standard Insurance Policy	November 1, 2018

## 6.0 EVALUATION CRITERIA

The following outlines the primary considerations to be used in the evaluation and consequent awarding of this RFP. The Port reserves the right to prioritize and weigh the importance of each criterion confidentially.

### 6.1) EXPERIENCE AND QUALIFICATIONS

- An overview of your firm's corporate structure and your firm's key strengths including an organizational description and/or chart showing the number of employees, areas of specialization, geographical areas of operation, and information regarding ownership
- The name of the individual within your firm that is proposed to have overall responsibility for the Port's account, the name of the alternate to that person, and their ability to access the capabilities of the firm
- The names, education, certifications and qualifications of key personnel to be used including marketing and claims personnel and others who would interact with the Port
- The names of any sub-contractors or agents other than key personnel proposed to be used, including details of services to be contracted
- The years of local experience your firm has in providing identified services to similar clients
- A list of current Port related accounts serviced, including the types of services provided
- A description of your firm's philosophy regarding client service

### 6.2) SERVICE

- Proposals should include your marketing and servicing plan of action should your firm be selected as a broker of the Port, including the range of services available
- Proposals should describe any special expertise or experience that your firm may have in providing services to Ports and terminals, public entity clients, and any companies you currently represent in the Port's industry catchment area including the range of services available
- Describe how the broker and team will maintain high quality service to the Port in consideration of your firm's other commitments
- Describe the claims support that you are prepared to offer the Port, and describe any needs that your firm may have

### 6.3) COMMUNICATION

- Describe the means by which you would keep abreast of the Port's activities, exposures and ongoing needs
- Describe the method and the frequency by which information relevant to the Port, such as market changes, will be communicated

### 6.4) COMPENSATION / FEES

- Outline in detail the proposed basis of your brokerage's remuneration.
- If appropriate, provide cost of any additional services discussed in the proposal not included in the annual fee.

### 6.5) REFERENCES

Contact names and telephone numbers of four existing clients of the local office of a similar size and/or complexity to the Port. Any or all references provided by proponent may be contacted by members of the review committee to confirm the information provided in the proposal and the nature and quality of the service provided.

### 6.6) INTERVIEW / PRESENTATION

After initial review of the proposals the Port intends to develop a shortlist of companies and conduct interviews. This will provide the Port an opportunity to meet the proponent and other team members and ask questions regarding the contents of their proposal. Proponents will be asked to provide a thirty minute presentation regarding their proposal. Interview/presentations will take place during the week of August 13, 2018 at a date and time chosen by the Port evaluation committee.

### 7.0) APPENDICES

Nanaimo Port Authority Letters Patent <https://portauthority.npa.ca/en/corporate/>  
Canada Marine Act <http://www.tc.gc.ca/eng/acts-regulations/acts-1998c10.htm>  
Port Authorities Management Regulations <http://laws-lois.justice.gc.ca/eng/regulations/SOR-99-101/>  
Port Authorities Operations Regulations <http://laws-lois.justice.gc.ca/eng/regulations/SOR-2000-55/>