

Mayor and Council Communication

DATE: 12/13/22

M&C FILE NUMBER: M&C 22-1034

LOG NAME: 13PRFP 22-0188 WORKERS COMPENSATION INSURANCE BROKER AR HR

SUBJECT

(ALL) Authorize Purchase Agreement with Roach Howard Smith & Barton, Inc. for Workers' Compensation Excess Insurance Broker and Consulting Services for the Human Resource Department in an Annual Amount Up to \$318,750.00 for a Five Year Initial Term and Authorize Two One-Year Renewal Options for the Same Annual Amount

RECOMMENDATION:

It is recommended that the City Council authorize the purchase agreement with Roach Howard Smith & Barton, Inc. for workers' compensation excess insurance broker and consulting services for the Human Resource Department in an annual amount up to \$318,750.00 for a five year initial term and authorize two one-year renewal options for the same annual amount.

DISCUSSION:

The Human Resource Department approached the Purchasing Division to procure an annual agreement for workers compensation excess insurance broker and consulting services. The City of Fort Worth (City) will utilize this agreement to provide an insurance broker of record for the placement of workers' compensation excess insurance, for its self-insured and self-funded workers' compensation program and related broker consulting services.

In order to procure these services, purchasing staff issued Request for Proposal (RFP) No. 22-0188. The RFP consisted of detailed specifications describing the vendor responsibilities in order to perform the services such as insurance placement, actuarial services, workers' compensation claims audit services, occupational safety, accident preventions and workers' compensation loss control services, and other broker services. The RFP was advertised in the *Fort Worth Star-Telegram* on August 3, 2022, August 10, 2022, August 17, 2022, August 25, 2022, August 31, 2022, and September 7, 2022. Two responses were received.

An evaluation panel consisting of representatives from the Human Resource and City Attorney Departments evaluated and scored the responses using Best Value criteria. The individual scores were averaged for each of the criteria and the final scores are listed in the table below.

Bidders	Evaluation Criteria						Total score
	a	b	c	d	e	f	
Roach Howard Smith & Barton, Inc.	13.50	12.00	12.50	8.67	9.67	35.00	91.34
McGriff Insurance Services, Inc.	12.75	11.00	11.50	8.00	9.00	32.04	84.29

Best Value criteria:

- A) Technical
- B) Qualification and References
- C) Adherence to Terms and Conditions of Contract
- D) Financial Stability and Ability to Obtain Insurance and Booking
- E) Experience in Servicing Public Entities
- F) Cost of service

After evaluation, the panel concluded that Roach Howard Smith & Barton, Inc. presents both the best value and the necessary coverage for the City. Therefore, the panel recommends that Council authorize the agreement with Roach Howard Smith & Barton, Inc. No guarantee was made that a specific amount of services would be purchased. Staff certifies that the recommended vendor bids met specifications.

FUNDING: Funding is budgeted in the Other Contractual Services account of the HR Worker's Comp Insurance Department's Risk Financing Fund.

BUSINESS EQUITY: Roach Howard Smith & Barton, Inc. is in compliance with the City's Business Equity Ordinance by committing to 7% Business Equity participation on this project. The City's Business Equity goal on this project is 7%.

AGREEMENT TERMS: Upon City Council approval, the agreement will begin upon execution and will end one year from that date.

RENEWAL OPTIONS: This agreement may be renewed for up to two (2) one-year terms at the City's option. This action does not require specific

City Council approval provided that the City Council has appropriated sufficient funds to satisfy the City's obligations during the renewal term.

ADMINISTRATIVE CHANGE ORDER: An administrative change order or increase may be made by the City Manager up to the amount allowed by relevant law and the Fort Worth City Code and does not require specific City Council approval as long as sufficient funds have been appropriated.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon approval of the recommendation, funds are available in the current operating budget, as appropriated, in the Risk Financing Fund. Prior to an expenditure being incurred, the Human Resources department has the responsibility to validate the availability of funds.

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