



BAY AREA
AIR QUALITY
MANAGEMENT
DISTRICT

November 20, 2023

Request for Proposals# 2023-017

Insurance Brokerage Services

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SECTION I – SUMMARY

The Bay Area Air Quality Management District (“Air District”) seeks proposals from experienced insurance brokerage firms to service, underwrite, market, and place various lines of insurance for the Air District and its nonprofit organization, the Bay Area Clean Air Foundation (“Foundation”). The insurance brokerage firm will conduct a review of the Air District’s and Foundation’s current insurance policies, provide recommendations and advice regarding insurance needs, secure insurance policies, and provide claims and insurance-related administrative and consulting services.

The Air District anticipates an initial contract term to be for a period of three (3) years. The Air District may extend the contract for up to two (2) additional one-year terms at its sole discretion.

To respond to this Request for Proposals (“RFP”), an interested proposer must submit one (1) electronic copy of its proposal in Adobe Acrobat PDF file format to the Air District’s Procurement Portal (“Portal”):

Cynthia Zhang, Senior Staff Specialist
Bay Area Air Quality Management District
375 Beale Street, Suite 600; San Francisco, CA 94105
Portal link: <https://baaqmd.bonfirehub.com>

**Proposals must be submitted and received by
4:00 p.m. Pacific Time (PT) on Tuesday, December 26, 2023 (“deadline”).
Late proposals will not be considered.**

Proposals must address all information requested in this RFP. A proposal may add information not requested in this RFP, but the information should be in addition to, not instead of, the requested information and format. Minority business enterprises, women's business enterprises, veteran's business enterprises, local businesses and certified green businesses are encouraged to submit proposals. **Any questions regarding this RFP must be submitted through the Portal.**

SECTION II – BACKGROUND

A. Air District Overview

The Air District is the government agency responsible for protecting air quality in the San Francisco Bay Area. The Air District is tasked with regulating stationary sources of air pollution in the nine counties that surround San Francisco Bay: Alameda, Contra Costa, Marin, Napa, San Francisco, San Mateo, Santa Clara, southwestern Solano, and southern Sonoma counties. It is governed by a 24-member Board of Directors composed of locally elected officials from each of the nine counties. The Air District's mission is to create a healthy breathing environment for every Bay Area resident, while protecting and improving public health, air quality and the global climate.

The Air District aims to achieve its mission through many strategic goals, including reducing and eliminating health problems caused by air pollution, achieving and maintaining air quality standards, leading the Bay Area's efforts to fight global climate change, creating high-quality regulatory programs, and applying environmental best practices in all operations. To do so, the Air District regulates air pollution emissions from stationary emission sources such as factories, refineries, and power plants, and from smaller facilities like gas stations and dry cleaners. The Air District ensures that such facilities comply with air pollution laws and regulations, provides incentives to replace older, higher-emitting vehicles and equipment with cleaner alternatives, and gives grants and provides outreach to encourage healthy clean air choices by businesses and consumers. The Air District implements these efforts with an equity focus, aiming to reduce air quality disparities and promote environmental justice by targeting local air pollution in overburdened communities.

B. Insurance Brokerage Services

The Air District seeks proposals from experienced insurance brokerage firms to place various lines of insurance for the Air District and Foundation. The insurance brokerage firm must be licensed to place insurance coverage for public entities in the State of California. Insurance policies may be procured from traditional insurance markets or group purchasing programs, whichever is most cost effective for the Air District. The insurance brokerage firm will also provide ongoing, unbiased, professional advice and recommendations that benefit the Air District.

The Air District currently maintains various lines of insurance as outlined in the table below. All policies are due for renewal as early as July 1, 2024, except for general liability and excess employment practices liability, which are due for renewal on September 29, 2024. The insurance brokerage firm must be able to place all lines of coverage currently purchased by the Air District, as well as for any other lines of coverage that may be

appropriate for the Air District or recommended by the insurance brokerage firm by July 1, 2024.

Type of Coverage	Policy Expiring
Property (Air District)	July 1, 2024
Boiler and Machinery (Air District)	July 1, 2024
Cyber Liability (Air District)	July 1, 2024
Autophysical Damage (Air District)	July 1, 2024
Difference in Conditions (Earthquake and Flood) (Air District)	July 1, 2024
Crime (Air District)	July 1, 2024
Excess Workers' Compensation (Air District)	July 1, 2024
Excess Employment Practices Liability (Air District)	September 29, 2024
General Liability (Air District)	September 29, 2024
General Liability (Foundation)	September 29, 2024

SECTION III – SCOPE OF WORK

The insurance brokerage firm will evaluate the Air District's exposure to various risks and provide recommendations for the best methods and approaches for managing risks. The insurance brokerage firm will assign a dedicated service team to provide all services customarily performed by an insurance brokerage firm including, but not limited to, the following:

1. Conduct a review of the Air District's and Foundation's current insurance policies and provide recommendations and advice regarding insurance needs.
2. Act as an independent insurance advisor to the Air District and provide ongoing, unbiased, professional advice and recommendations that benefit the Air District.
3. Be familiar with the major exposures of the Air District and the Foundation.
4. Obtain cost-effective and competitive insurance programs and market coverage for the Air District and Foundation and provide detailed coverage comparisons.
5. Bind coverage for insurance policies in a timely manner, without lapses in coverage periods, and with reputable and financially responsible insurance carriers.
6. Verify the accuracy and adequacy of all binders, policies, policy endorsements, invoices, and other insurance related documents.
7. Request, implement, and monitor all required coverage changes and provide complete copies of all policies within ninety (90) days of binding.
8. Be familiar with the coverages provided by all relevant insurance policies and documents issued to the Air District and the Foundation and process all changes and endorsements.
9. Inform the Air District of rate and coverage changes, downgrades in the financial status of insurance carriers, potential compliance issues, or other significant problems that could affect the Air District's insurance coverage.
10. Provide a schedule of coverages or comprehensive report that reviews all the Air District's insurance programs on an annual basis or upon the Air District's request.
11. Provide ongoing review and analysis of the Air District's insurance programs

- and provide periodic updates regarding insurance marketplace conditions.
12. Prepare market analysis and forecast by insurance line. This summary will include information on trends and developments, market availability, pricing, and long-term market directions.
 13. Provide certain administrative services including but not limited to those related to lease and contract review, bond administration, and certificates of insurance.
 14. Process updates and changes to Air District operations, such as adding or removing vehicles, field offices, insurable values, etc.
 15. Respond to Air District's questions and inquiries or obtain answers from underwriters for policy coverage questions in a timely manner.
 16. Be available and accessible by phone and/or to meet with Air District staff and designated representatives during normal business hours.
 17. Provide consultation service and written reports upon the Air District's request.
 18. Provide claims management services, such as assistance in claims investigations, claims administration, and loss mitigation programs; provide loss control consultations for areas of concern expressed by the Air District; serve as a liaison/advocate between insurer and the Air District as appropriate; and submit claims to insurers as appropriate.
 19. Assist in analyzing loss exposures from existing and new operations, and determine the appropriate risk management alternatives, including types, availability, costs, and extent of coverage that should be considered.

SECTION IV – INSTRUCTIONS TO PROPOSERS

A. General

1. Interested firms must create an account through the [Portal](#) described in this RFP to view RFP documents and addenda, and to submit questions and proposal documents.
2. All proposals must be made in accordance with the conditions of this RFP. Failure to address any of the requirements is grounds for rejection of a submitted proposal.
3. All information should be complete, specific, and as concise as possible.
4. Proposals should include any additional information that the respondent deems pertinent to the understanding and evaluation of the proposal.
5. The Air District may modify the RFP or issue supplementary information or guidelines during the proposal preparation period prior to the deadline. Please check our [Portal](#) for updates prior to the deadline.
6. The Air District reserves the right to reject any and all proposals.
7. All questions must be in written form and submitted through the Portal no later than **4:00 p.m. PT on Wednesday, December 6, 2023**. Firms will not be able to submit questions after this time. All questions will be answered in writing and posted on the [Portal](#) by **6:00 p.m. PT by Monday, December 18, 2023**.

8. The cost for developing the proposal is the responsibility of the proposer, and shall not be chargeable to the Air District.

B. Submittal of Proposals

All proposals must be submitted according to the specifications set forth in Section V (A) – Contents of Proposal, and this section. Failure to adhere to these specifications may be cause for the rejection of a submitted proposal.

1. **Deadline** – All proposals are due no later than **4:00 p.m. PT on Tuesday, December 26, 2023**, and must be submitted via the Portal:

Cynthia Zhang, Senior Staff Specialist
Bay Area Air Quality Management District
375 Beale Street, Suite 600; San Francisco, CA 94105
Portal link: <https://baaqmd.bonfirehub.com>

2. **Uploading large documents** may take significant time, depending on the size of the file(s) and Internet connection speed. Proposers should plan sufficient time before the deadline to finalize their submissions and complete the uploading process. Proposers will not be able to submit documents after the deadline. Proposals received after the deadline will not be considered.
3. **Signature** – All proposals should be signed by an authorized representative of the proposer.
4. **Submittal** – Submit one (1) electronic copy (in Adobe Acrobat PDF file format) to the Portal. Electronic submissions submitted via the Portal will be acknowledged with a confirmation email receipt. Late proposals will not be accepted. Any correction or re-submission of proposals will not extend the submittal deadline.
5. **Grounds for Rejection** – A proposal may be rejected at any time if it is submitted after the deadline, is not in the prescribed format, or is not signed by an individual authorized to represent the firm.
6. **Disposition of the Proposals** – All responses to this RFP become property of the Air District and will be kept confidential until a recommendation for award of a contract has been announced. Thereafter, submittals are subject to public inspection and disclosure under the California Public Records Act. If a respondent believes that any portion of its submittal is exempt from public disclosure, it may mark that portion “confidential.” The Air District will use reasonable means to ensure that such confidential information is safeguarded, but shall not be held liable for any inadvertent disclosure of the information. Proposals marked “confidential” in their entirety will not be honored, and the Air District will not deny public disclosure of any portion of submittals so marked.

By submitting a proposal with portions marked “confidential,” a respondent represents it has a good faith belief that such portions are exempt from disclosure under the California Public Records Act and agrees to reimburse

the Air District for, and to indemnify, defend, and hold harmless the Air District, its officers, employees, and agents, from and against any and all claims, damages, losses, liabilities, suits, judgments, fines, penalties, costs, and expenses, including without limitation, attorneys' fees, expenses, and court costs of any nature whatsoever, arising from or relating to the Air District's non-disclosure of any such designated portions of a proposal.

7. Modification – Once submitted, proposals, including the composition of the contracting team, may be altered up until the deadline. Proposals may not be modified after the deadline. All proposals shall constitute firm offers valid for one hundred and eighty (180) days from the deadline.

C. Interviews

1. The Air District, at its option, may interview proposers. The interviews will be for the purpose of clarifying the proposals.
2. Submittal of new proposal material at an interview will not be permitted.
3. Interviews may involve a presentation and/or a question-and-answer session.

SECTION V – PROPOSAL FORMAT, CONTENT, AND SUBMITTAL

A. Contents of Proposal

Submitted proposals must follow the format outlined below and include all requested information. Failure to submit proposals in the required format can result in the proposal being eliminated from evaluation and consideration.

1. Technical Proposal

- a. Cover Letter (Section I) – Must include the name, address, and telephone number of the company, and must be signed by the person(s) authorized to represent the firm.
- b. Firm Contact Information – Provide the following information about the firm:
 - Address and telephone number of office nearest to San Francisco, California and the address and phone number of the office that each of the proposed staff members are based out of if different.
 - Name of firm's representative designated as the contact and email address.
 - Name of project manager, if different from the individual designated as the contact.
- c. Table of Contents – Clearly identify material contained in the proposal by section.
- d. Summary (Section II) – State overall approach to Insurance Brokerage Services, including the objectives and scope of work.

- e. Firm Organization (Section III) – Provide a statement of your firm’s background and related experience in providing insurance brokerage services to governmental organizations, if any. Describe the technical capabilities of your firm.
- f. Approach and Methodology (Section IV) – Provide a detailed description of the approach and methodology to be used to accomplish the Scope of Work of this RFP. Include the following:
 - i) Describe how your firm plans on analyzing the Air District’s existing coverages and evaluating whether the coverages adequately protect against losses.
 - ii) Describe the strategy and/or implementation plan when marketing the Air District’s insurance, and how often your firm will bid out the insurance plans. Describe your firm’s methods for development of specifications to obtain competitive insurance policy quotes and to maximize the availability of coverage.
 - iii) Describe the efforts your firm will undertake to achieve client satisfaction and to satisfy the requirements of the Scope of Work.
 - iv) Describe the specific tasks your firm will require from Air District staff. Explain what the respective roles of Air District staff and your firm’s staff would be to complete the tasks specified in the Scope of Work.
 - v) Describe your strategy for ensuring that the Air District receives all information in a timely manner regarding coverage terms and conditions prior to purchasing or renewing a policy.
 - vi) Describe the role your firm will play in the management of claims, how your firm will handle claims reviews and how your firm will interact with the primary insurers regarding claims handling.
- g. Project Schedule (Section V) – Provide a detailed project schedule that identifies all tasks to be performed, durations for each task, and overall time of completion, including a complete transition plan to ensure insurance coverages are in place by July 1, 2024 and annually thereafter. Describe how and what lines of communication will be implemented to maintain the project schedule.
- h. Project Organization (Section VI) – Describe the proposed management structure and organization of the team. Provide a statement detailing your firm’s ability and willingness to commit and maintain staffing to provide insurance brokerage services to the Air District.
- i. Assigned Personnel (Section VII) – Provide the following information about the staff to be assigned to the project:
 - List all key personnel assigned to the project by level and name. Provide a description of their background, along with a summary of their experience in providing similar services for governmental agencies and any specialized expertise they may have. Background descriptions can be a resume, CV, or summary sheet. Substitution of project manager or staff will not be permitted without prior written approval of the Air

District's assigned program manager.

- Provide a statement of the availability of staff in any local office with requisite qualifications and experience to conduct the requested project.
 - Provide a statement of education and training programs provided to, or required of, the staff identified for participation in the project. Make particular mention of experience dealing with governmental agencies, procedures, and environmental regulations.
- j. Subcontractors (Section VIII) – List any subcontractors that will be used, the work to be performed by them, and the total number of hours or percentage of time they will spend on the contract.
- k. References (Section IX) – Provide a minimum of five (5) government organization references of other, similar projects. Include the name of the government entity, contact name, title, phone number and e-mail address for all references listed. For each reference, include a description of services provided and dates the services were provided.
- l. Retention of Working Papers (Section X) – All working papers are the property of the Air District. Include a statement acknowledging that if your firm is awarded the contract, you will retain project related papers and related reports for a minimum of five (5) years.
- m. Conflict of Interest (Section XI) – Address possible conflicts of interest with your firm's other clients potentially affected by actions performed by your firm on behalf of the Air District. The Air District recognizes that prospective proposers may have contracts to perform similar services for other clients. Include a complete list of such clients for the past three (3) years with the type of work performed and the total number of years performing such tasks for each client. The Air District reserves the right to consider the nature and extent of such work in evaluating the proposal.
- n. Additional Data (Section XII) – Provide other essential data that may assist in the evaluation of the proposal (e.g., green business certification, etc.).

2. Cost Proposal

- a. List the fully-burdened hourly rates and the total number of hours estimated for each level of professional and administrative staff to be used to perform and complete the tasks required by this RFP.
- b. Include the estimated annual pricing to provide the services described in this RFP.
- c. If applicable, identify any anticipated additional monetary amount that would be received for placing the insurance lines in this RFP. This would include all possible sources of compensation, including, but not limited to, direct or indirect compensation, current and future compensation,

placement or administrative fees, rebates, contingent commissions, renewal commissions, service fees, and any other form of compensation.

SECTION VI – PROPOSAL EVALUATION

A panel of Air District staff will evaluate all proposals. The panel will recommend the selection of the contractor to the Executive Officer/APCO, who will, in turn, make a recommendation to the Air District Board of Directors. The Air District Board of Directors may be required to approve the contract to carry out the work described in this RFP. A link to a typical contract for professional services used by the Air District is included in Section VII.

Proposals will be evaluated on the following criteria:

Criteria	Description	Points
Expertise & Assigned Personnel	Technical expertise, size and structure of the firm and personnel assigned to RFP tasks; firm's ability to perform and complete the work in a professional and timely manner.*	25
Skill	Past experience of the firm and, in particular, experience of the team working on projects of similar scope for other governmental agencies.	25
Approach	Responsiveness of the proposal, based upon a clear understanding of the work to be performed.	25
Cost	Cost or cost effectiveness and resource allocation strategy.	20
References	Quality and applicability of references.	5
	Total	100

* "Size and structure of firm" refers to the ability of a firm's size to meet the needs of the Air District. It does not give absolute preference to larger or smaller firms.

If two or more proposals receive the same number of points, the Air District will accept the lower cost offer.

SECTION VII – SAMPLE CONTRACT

A sample contract to carry out the work described in this RFP is available on the Air District's website at <http://www.baaqmd.gov/about-the-air-district/request-for-proposals-rfp-rfq/samples-previous>. (Click the + to the left of Sample Contracts, then click on the Professional Services Contract link).