



Date: 01/11/2018

AGENDA ITEM SUMMARY

To: Chair and Directors, Cariboo Regional District Board
And To: John MacLean, Chief Administrative Officer
From: Kevin Erickson, Manager of Financial Services
Date of Meeting: Cariboo Regional District Board_Nov09_2018
File: 2470-20

Short Summary:

Extension of Insurance Providers Contract

Voting:

Corporate Vote - Weighted

Memorandum:

In 2015 the CRD put out a Request for Proposals to provide Property and General Liability coverage for the Cariboo Regional District. At the December 11th, 2015 meeting the Board selected AON Assurance as the successful proponent. At that time the CRD entered into a three year agreement with AON for insurance provision with an option to further extend two years. At the end of 2018, three years of service has been provided and the extension clause needs to be enacted.

AON has provided very good service and the CRD has not experienced any significant premium increases since switching to them. Their representatives are very easy to work with and very responsive to CRD needs. The CRD is still getting significant annual savings from the premiums being paid versus the premiums paid prior to 2016.

As 2019 is approaching and insurance will need to be attained, it is the hope to exercise the two year extension clause, contained in the 2015 agreement made with AON, for provision of insurance services in 2019 and 2020.

Furthermore, given the realized savings and service levels already provided by AON, that the Board, through Section F4.5: Professional Services, Policy 04-05B-5(8) , recognize the potential benefits and value arising from a longer relationship with AON and continue with them as the CRD's insurance provider until such time as cost, service level or a combination of the two warrant going to market for competitive quotes.

Attachments:

None

Financial Implications:

None

Policy Implications:

Comforms to the Purchasing Policy:

F4.5 Professional Services

Policy No. 04-05B-5(8)

The Cariboo Regional District engages in business relationships for various professional services over the course of the year. Issuing a proposal call each time a particular service is required is time consuming. In order to create efficiencies and recognize that qualifications and other factors are equally or even more important than the price quoted ‘call for proposals’ for professional services will be conducted as needed. It is recognized that the longer the relationship for professional services exists, the more value we receive. The professional services covered by this policy include legal, banking, auditing and insurance broker services.

When proposal calls for professional services are undertaken, the following factors shall be used in evaluation the proposals.

Firm Background

- General firm experience
- Firm experience specific to project
- Firm past performance - reference
- Financial resources

Project Personnel

- General Experience
- Experience specific to project
- Past Performance
- Compatibility with CRD personnel and/or Board Staff availability

Proposal/Interview

- Organization and clarity
- Presentation

Methodology and Management

- Approach to project
- Technical capability
- Project administration capability
- Quality control capability
- Cost control capability

Professional Compensation

- Hourly fees
- Total compensation

In awarding a contract following a proposal call, the primary emphasis shall be placed on experience, reputation and ability. Fees quoted in the proposals will influence the evaluation but will not determine the consultant selected to perform the work.

(Resolution No. 04-05B-5(8))

Alignment with Strategic Plan:

- Ensuring Sufficient and Sustainable Funding

- Building on our Relationships
- Providing Cost Effective High Quality Services
- Focusing on Being Well Governed

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CAO Comments:

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Options:

- 1) Endorse recommendation
- 2) Receipt and other action

Recommendation:

That the agenda item summary from Kevin Erickson, Manager of Financial Services, dated November 1, 2018, regarding the Insurance Providers Contract, be received. Further, that AON's contract be extended through 2019 and 2020 and that the Board give serious consideration to continuing with AON until circumstances warrant going to public tender for insurance services.