

City of Gastonia  
Human Resources Department  
P O Box 1748

Postal Mail Address

**THIS IS A REQUEST FOR PROPOSAL**

DATE: FEBRUARY 26, 2024

**RFP DUE: APRIL 4th, 2024, AT 12:00 PM  
IN THE HUMAN RESOURCES DEPARTMENT AT  
181 S. SOUTH STREET  
GASTONIA, NC 28052**

**REQUEST FOR PROPOSAL  
PROPERTY AND LIABILITY INSURANCE**

The City of Gastonia (City) is requesting proposals from qualified firms and individuals to provide property and liability insurance.

**PROPOSALS MUST BE ADDRESSED TO STEVEN ALVEY IN THE CITY OF GASTONIA HUMAN RESOURCES DEPARTMENT AND MARKED AS FOLLOWS:**

**RFP FOR PROPERTY AND LIABILITY INSURANCE DUE BY APRIL 4th, 2024.**

FAILURE TO COMPLY WITH SPECIFICATIONS MAY RESULT IN DISQUALIFICATION OF YOUR PROPOSAL. ANY PROPOSAL RECEIVED AFTER THE TIME AND DATE STATED ABOVE **WILL NOT** BE CONSIDERED. UNSIGNED PROPOSALS AND/OR PROPOSALS RECEIVED VIA FACSIMILE OR EMAIL WILL NOT BE CONSIDERED. THIS SOLICITATION IS ISSUED FOR PURPOSES OF CONTRACTING WITH QUALIFIED SERVICE PROVIDERS. AWARDED VENDORS WILL BE NOTIFIED.

**The City of Gastonia reserves the right to accept and/or reject any proposals without necessary explanation to the proposing sources and is not obligated to accept the lowest dollar proposal.**

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**SECTION I - SUMMARY**

The City of Gastonia, hereinafter referred to as the “City”, seeks proposals in response to this Request for Proposal (RFP), from firms qualified and experienced in providing property and liability insurance. The City was incorporated in 1877. It is located in Gaston County, North Carolina.

The City has used due care and diligence in the preparation of this Request for Proposal. All information provided is believed to be accurate and complete. However, the responsibility for determining the full extent of the exposure and the verification of all information contained herein shall rest solely upon the proposer.

Award of a contract for property and liability insurance shall be at the sole discretion of the City. The City reserves the right to accept or reject any or all proposals in whole or in part.

The City shall not be responsible for any expenses incurred by a firm in connection with preparing and submitting a proposal. All proposals shall become property of the City and public record.

The City shall not provide any agent or broker with an “Agent/Broker of Record” letter.

Specifications contained herein indicate the minimum upon which you should base your proposal. Proposals may exceed the minimums specified.

Coverage shall have an effective date of July 1, 2024, and shall be for a period of one year with an option to negotiate renewal for additional one-year periods thereafter. Non-renewal, cancellation, change in coverage or cost shall require a 120-day notice in writing to the City.

***Current Situation***

The City currently has a package through North Carolina League of Municipalities which provides all of the property and liability insurance except airport liability and workers compensation.

Included in the RFP is a summary of the City’s losses for the past seven years.

**SECTION II - SPECIFICATIONS**

The specifications for the property and liability insurance are outlined in the City’s current policy (**SEE ATTACHMENTS**).

The City seeks proposals for the deductible (retention) amounts listed on the attached proposal forms.

The selected vendor will have the offices and the personnel assigned to the City account with access available by telephone, fax, and e-mail and on-site meetings with designated City of Gastonia staff, as required.

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The selected vendor will need to meet, as needed, with the City's legal defense team, Assistant Director of Human Resources and other designated employee(s) of the City for discussion and staffing of legal issues of selected claims.

The selected vendor shall provide the following:

**Claims Administration:**

1. Examine all claims reported and determine if the claim is compensable
2. Complete a prompt and thorough investigation of all claims assigned, including but not limited to:
  - Contact with the Assistant Director within twenty-four (24) hours of receipt of the reported claim
  - As determined or requested by the Assistant Director of Human Resources or as may be required by the facts of the claim, conduct interviews with the claimant, City employees, witnesses or others who might have direct knowledge of the facts and circumstances relating to the claim
  - Conduct any other interviews or investigation deemed appropriate

The selected vendor will need to be available on call to respond within (7) business days for meetings concerning specific difficult cases as described above.

**Loss Control and Claims Reporting/RMIS Requirements**

The selected vendor shall provide a fully integrated risk management information system. In the areas of claim information, loss control information and general financial information, the firm shall have the capability to provide the following:

- Loss run printouts by policy year (July 1<sup>st</sup> through June 30<sup>th</sup>). *Each print run must be capable of selecting on the basis of specified range parameters on any or all data fields and must be capable of an ordered print.*
- Monthly loss detail and summary reports. (Please provide samples)
- Quarterly claims analysis detailed reports. (Please provide samples)
- Monthly check register detailing financial activity, including payments issued, payee, amount of check, type of payment, claim number, date of incident and claimant name. (Please provide report sample)
- Capability for on-line access

Customized loss reports are preferred. Please comment on your firm's ability to provide reports to an SQL database and/or using various report formats: MS Access; MS Excel; PDF; print and electronic version.

Submitted proposals should address ownership of data/loss files. Please comment on special ownership of claim file media.

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**Financial and Accounting Services**

Submitted proposals will require an explanation of the establishment of any fund which may be required for payment of claims. Details should include, but not limited to:

- Any monthly requirements after initial establishment of the fund
- Procedures under which funds are to be transferred
- Frequency of adjustment to determine accuracy of funding level
- Reconciliation of check issuance
- Maintain accurate and current claim payment records to prevent the issuance of duplicate payments

Please indicate basic funding arrangements available, i.e., daily replenishment (budgeted basis or cleared bank basis), monthly replenishment, etc. Please indicate anticipated amount of initial imprest account.

The selected vendor will need to have electronic capability for communication with City staff, designated medical providers and attorneys.

The selected vendor will have specific personnel assigned to handle all City claims. This claims team will deal with the City's Assistant Director of Human Resources or other designated employee(s) of the City on the day-to-day claims functions.

The selected vendor is expected to return phone calls and/or respond to e-mails from designated City staff and calls from claimants within one business day.

The selected vendor is expected to set an ultimate claim reserve for all claims within 30 days of the receipt of the claim. This reserve would be adjusted as needed to always reflect the ultimate claim reserve.

**SECTION III – PROPOSAL PREPARATION AND SUBMISSION REQUIREMENTS**

*This RFP will be made available on February 26, 2024. Responses are due back by 12:00 p.m. April 4, 2024 to:*

ATTN: Steven Alvey  
City of Gastonia  
P O Box 1748  
Gastonia, NC 28053-1748

**Submission Requirements**

**City of Gastonia RFP  
Due no later than April 4, 2024, at 12:00 p.m.**

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Bidding firms shall be required to submit the information detailed below. If the service is not available or not applicable for a particular response item, please note with “not applicable” or “not available” for that item.

All firms submitting proposals **MUST** be licensed/approved to conduct business in the State of North Carolina.

The information shall be organized and assembled in such a manner as to assist the City in reviewing all proposals received.

All proposals must be either mailed or personally delivered.

All proposals must be clearly marked **RFP FOR PROPERTY & LIABILITY INSURANCE DUE BY APRIL 4th 28, 2024 AT 12:00 PM.**

- A. Table of Contents to include clear identification of the material provided by section and number
- B. A letter of transmittal indicating the firm's interest in providing the service and any other information that would assist the City in making a selection. A person legally authorized to bind the firm to a contract must sign this letter.
- C. A statement demonstrating understanding and your capability of providing the services of each section of the RFP
- D. A written description of the firm's qualifications and experience to provide the requested services. Please include a list of other accounts you handle that are similar in size
- E. Completion of the Claims Administration Services Questionnaire
- F. Completion of the RMIS Questionnaire
- G. Completion of Fee Proposal/Questionnaire
- H. Name and address of the local adjusting company that will be handling claims under the proposals submitted
- I. List of loss control services that will be provided at no additional cost to the City by the insurance company
- J. List of other loss control services available including associated costs
- K. What resource material will be provided, i.e., “how to” manuals, safety bulletins, video loans, etc.? What additional cost is charged for each of these?
- L. List the frequency with which the City will receive claims/loss statistics, and include a sample copy of the statistical report
- M. List whether the companies used to submit proposals are admitted or non-admitted carriers in the State of North Carolina
- N. A specimen copy of the insurance policies and all endorsements under which the proposed coverage will be written
- O. Evidence of insurance as set forth:
  - 1. Workers' Compensation -Statutory Limits
  - 2. Comprehensive General Liability -Broad Form with minimum limits of \$ 5,000,000 per occurrence.

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3. Error and Omissions Professional Liability. Minimum limits of \$5,000,000 per occurrence. If the policy is on a claims-made basis, the policy shall be continually renewed for two (2) years from the date of contract.

*An appropriate Certificate of Insurance evidencing required coverage is to be included at the point of contract award. If the contract for proposed services is awarded, policy endorsements showing the City as an additional insured on the general liability coverage shall be submitted prior to commencement of services under any such awarded contract.*

- P. List the names and addresses of all attorneys customarily assigned defense work by you as a provider of liability and property insurance. Include the name of the attorney's law firm.

**SECTION IV - CLAIMS ADMINISTRATION SERVICES QUESTIONNAIRE**

(Please answer in the order shown and letter or number your responses)

- A. Name, address and phone number of firm
- B. Branch office(s), address (es), and phone which would provide service under the proposal
- C. Indicate the proposed personnel (including supervisory and management) who would be assigned to administer the City's program. Provide details on job title, experience and education, public entity experience, years of experience as an adjuster, and length of time with firm.
- D. Are the adjusters that will be assigned to our account licensed NC adjusters?
- E. What is the caseload of open files that would be managed by the adjusters assigned to the City?
- F. How do you assign claims?
- G. How many government agencies do you have as customers?
- H. What is the average length of time that it takes from receiving a signed release to the mailing of the payment to the claimant?
- I. Give at least three (3) references - at least two being public agencies. Please give names, phone numbers and a brief description of services provided.
- J. Describe your procedures for making initial and follow-up contact with claimants, witnesses, City staff, etc. Will you be able to perform this within 24 hours of receiving the claim? What criteria will be used to determine on-site versus telephone investigations?
- K. Please describe procedures for reviewing the adequacy of claim reserves.
- L. Explain any aspect of the specifications which your firm cannot perform.
- M. Provide a statement verifying that the submitted proposal is valid until July 1, 2024.
- N. It is the desire of the City to retain the right to periodically conduct file audits. Please acknowledge permission to conduct audits of claim files, either by City staff or other duly authorized representatives. Please submit a copy of your firm's established Audit Protocol and your internal standards for file management. Additionally, please verify/acknowledge the City's right to review any/all third party auditor's reports and/or management letters as they may pertain to City claim files.

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**SECTION VI –RMIS QUESTIONNAIRE**

- A. Please provide an explanation of the RMIS capabilities of your firm
- B. Please provide samples of all loss reports (summary and detail) that would be provided under a service agreement.
- C. With what frequency will reports be provided?
- D. What other management reports will be routinely provided as a part of the administrative services?
- E. Describe what on-line capabilities are available to the City. Provide fee proposal for on-line access, if any, plus set up charges, monthly maintenance, etc.
- F. If there are costs/charges for RMIS, which are not included in the fee proposed/quoted for claims adjusting and administration, please state what charges will apply.
- G. Upon termination of any service agreement, will the City continue to receive periodic loss reports on open and closed claims? If so, what will be the costs for such reports? Will access to claim information via on-line be available after agreement termination? If so, what describe the charges and availability time?

**SECTION VII -FEE PROPOSAL**

**Claims Administration/Adjusting**

- A. Please indicate your proposed fee for administration/adjustment of all claims. Explain basis of fee structure (i.e., composite rate, cost per lost time/medical only, etc.)
- B. Please provide a sample contract.

**Note: Please be sure to comment on any additional fees which may be charged for services requested that may be outside your "basic" services. If there are to be additional charges for your firm's participation in this requested service, be sure to show those charges separate from all other "basic" services. If no separate charges are denoted, the City will assume all requested services are included in base fee quoted.**

**Contact Information**

Steven Alvey  
Assistant Director of Human Resources  
City of Gastonia Human Resources Department  
P O Box 1748  
Gastonia, NC 28053-1748

Questions may be directed as listed above or e-mailed to: [steven.alvey@gastonianc.gov](mailto:steven.alvey@gastonianc.gov)  
Office phone: (704) 866-6802

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**FINANCIAL**

- Please provide financial information on your company, proposed TPA (if applicable) and proposed reinsurer (if applicable).
- Include a copy of the latest A.M. Best, Standard & Poor's, or Moody's rating for the insurance company you utilized in submitting proposals.
- How long has your company been licensed/approved to do business in North Carolina? Indicate which insurance products your company is authorized to sell in North Carolina. TPA? Reinsurer?
- Describe any fees/charges that are not included in your proposal.

**ALL PROPOSALS MUST BE RETURNED BY NOON ON APRIL 4, 2024.**

**SEND PROPOSAL TO STEVEN ALVEY, P O BOX 1748, GASTONIA, NC 28053-1748**



**GENERAL LIABILITY**  
**Includes Employee Benefits Liability**  
**Limits & Deductibles/Proposal Form**

**I. Current Limits**

Commercial General Liability - \$5,000,000 per occurrence/\$5,000,000 aggregate  
\$100,000 deductible

**II. Proposed**

- |           |                                    |       |
|-----------|------------------------------------|-------|
| Option 1- | \$50,000 Deductible Including LAE  | _____ |
| Option 2- | \$100,000 Deductible Including LAE | _____ |
| Option 3- | \$250,000 Deductible Including LAE | _____ |

**Please describe self-funding option including reinsurance and TPA expenses:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Firm Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

Authorized Signature: \_\_\_\_\_

Date: \_\_\_\_\_

# AUTO LIABILITY (Including Transit) Limits & Deductibles/Proposal Form

## I. Current Limits

Commercial Auto Liability - \$5,000,000 each occurrence  
\$100,000 deductible

Auto Physical Damage (Only Covers Vehicles Valued at \$50,000 or more) ACV

Collision and Comprehensive Coverage (Only Covers Vehicles Valued at \$50,000 or more) ACV  
\$50,000 deductible

## II. Proposed

Option 1 -                 \$50,000 Deductible (Liability)  
                                  \$1,000 Deductible (Comp/Collision) \_\_\_\_\_

Option 2 -                 \$100,000 Deductible (Liability)  
                                  \$5,000 Deductible (Comp/Collision) \_\_\_\_\_

Option 3 -                 \$250,000 Deductible (Liability)  
                                  \$5,000 Deductible (Comp/Collision) \_\_\_\_\_

**Please describe self-funding option including reinsurance and TPA expenses:** \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Firm Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Authorized Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**PUBLIC OFFICIALS LIABILITY  
Limits & Deductibles/Proposal Form  
CLAIMS MADE POLICY**

Retroactive Date: 1/1/99

**I. Current Limits**

Public Officials Liability - \$5,000,000 per occurrence/\$5,000,000 aggregate  
\$100,000 deductible

**II. Proposed**

Option 1-	\$50,000 Deductible	_____
Option 2-	\$100,000 Deductible	_____
Option 3-	\$250,000 Deductible	_____

**Please describe self-funding option including reinsurance and TPA expenses:** \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Firm Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Authorized Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**EMPLOYMENT PRACTICES LIABILITY**  
**Limits & Deductibles/Proposal Form**  
**CLAIMS MADE POLICY**

Retroactive Date: 1/1/99

**I. Current Limits**

Public Officials Liability - \$5,000,000 per occurrence/\$5,000,000 aggregate  
\$100,000 deductible

**II. Proposed**

Option 1-	\$50,000 Deductible	_____
Option 2-	\$100,000 Deductible	_____
Option 3-	\$250,000 Deductible	_____

**Please describe self-funding option including reinsurance and TPA expenses:** \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Firm Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Authorized Signature: \_\_\_\_\_

Date: \_\_\_\_\_

# LAW ENFORCEMENT LIABILITY Limits & Deductibles/Proposal Form

## I. Current Limits

Law Enforcement Liability - \$5,000,000 Per Occurrence/\$5,000,000 Aggregate  
\$100,000 Deductible

## II. Proposed

Option 1-	\$50,000 Deductible	_____
Option 2-	\$100,000 Deductible	_____
Option 3-	\$250,000 Deductible	_____

Please describe self-funding option including reinsurance and TPA expenses: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Firm Name: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Authorized Signature: \_\_\_\_\_

Date: \_\_\_\_\_

# PROPERTY Proposal Form

## I. Current Limits See attached schedule

Deductible: \$50,000

## II. Proposed

Option 1-	\$25,000 Deductible	_____
Option 2-	\$50,000 Deductible	_____
Option 3-	\$100,000 Deductible	_____
Option 4-	\$250,000 Deductible	_____

Please describe self-funding option including reinsurance and TPA expenses: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Firm Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Authorized Signature: \_\_\_\_\_

Date: \_\_\_\_\_

# INLAND MARINE (Equipment, Computer Equipment, Fine Arts) Proposal Form

## I. Current Limits See attached schedule

Deductible: \$50,000

## II. Proposed

Option 1- \$25,000 Deductible \_\_\_\_\_

Option 2- \$50,000 Deductible \_\_\_\_\_

Please describe self-funding option including reinsurance and TPA expenses: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Firm Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_

Authorized Signature: \_\_\_\_\_

Date: \_\_\_\_\_